

Sustainability Report 2014

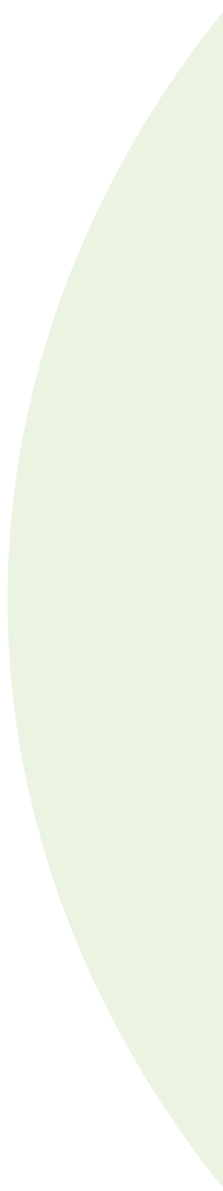
PRUKSA REAL ESTATE PUBLIC COMPANY LIMITED

PRUKSA

CREATE VALUE : CSV



“Pruksa is determined to create shared values, bringing its expertise to establish economic and social benefits to support sustainable growth.”



“Passion”
for quality excellence

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Message from Chairman

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Creating Share Value (CSV) principle in driving its business, the Company used its real estate expertise in solving social problems and creating value for the entire supply chain by developing Pruksha : Real Estate Manufacturing (REM), a technology to enhance quality-focused production efficiency and minimize construction period.

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I would like to inform all shareholders that 2014 was another year we faced numerous economical and political challenges, particularly during the beginning of the year, which adversely affected the country's overall economy and real industry which generates a market value of 630,000 million Baht annually, or about 12% of GDP. Of this number, over 50 percent is concentrated in residential housing market in Bangkok and Metropolitan Areas of which the overall market value had dropped from 348,535 million Baht in 2013 to 293,454 million Baht, or reduced by 15.8%. Fortunately, with a highly devoted team of executives and employees as well as excellent supports from our stakeholders, the Company managed to maintain continuous growth and drive the country's overall economy forward by setting the highest revenue record of 43,027 million Baht while remain holding the largest market share of as high as 13%.

Under the defined corporate social responsibility policy, the Company strives to develop its real estate business in hope to drive the country's overall economy and society as well as promoting environmental conservation by delivering high quality products and services, instilling conscience among employees to work by "heart" based on good governance principle, ensuring the benefits of every stakeholders and concentrating on corporate social responsibility relating to business operation by focusing on value creation in every business process as well as continuous development and improvement to deliver quality residences while creating highest customer satisfaction. By following Creating Share Value (CSV) Principle in driving its business, the Company used its real estate expertise in solving social problems and creating value for the entire supply chain by developing Prukso : Real Estate Manufacturing (REM), a technology to enhance quality-focused production efficiency and minimize construction period.

In 2014, the Company invested 2,300 million Baht in the construction project of the new Prukso Precast Factory, the first Green Factory in Thailand, to help minimize noise, dust and wastewater pollutions using the latest technology and machinery from Germany. The Company also continuously upholds its corporate social responsibility that extends beyond its business operation through numerous projects such as Prukso Scholarship which has been carried out for 13 years to offer education opportunity for the youths of Thailand, Blood Donation Campaign which has been jointly carried out with Thai Red Cross Foundation for over 20 times, and "Prukso Green Living Healthy" which has been carried out for 12 years to promote good health by providing free health check-up while creating green zone for customers and local community.

With endless efforts and determination, the Company received numerous awards namely "Best Investor Relations Awards 2014" and "Outstanding Investor Relations Awards 2014" from the Stock Exchange of Thailand, all of which marks the pride of the Company.

The Company promised to continue expanding and developing its business while giving back to society based on business ethic, and corporate governance principles to drive Prukso Real Estate into becoming the number one brand in customers' minds to pave way for sustainable growth. Lastly, I would like to thank you all stakeholders for their continuous supports and contribution in driving the Company's growth and success.



Mr.Thongma Vijitpongpan
Chairman of Executive Committee
and Chief Executive Office

Reporting Framework



Reporting Framework of Pruksha Real Estate Public Company Limited Sustainability Report is based on Global Reporting Initiatives Version 3.1 : GRI 3.1. This Year, the Company has taken into account Construction and Real Estate Sector Supplement in the disclosure guideline to better reflect the nature of the Company's business. The Sustainability Report is produced annually. The scope of this Sustainability Report takes place between 1 January 2014 to 31 December 2014, covering the operations of Pruksha Real Estate in Thailand only, excluding subsidiaries, joint ventures, vendors and contractors. The content of this report reflects corporate goals and transparent disclosure of information.

The content is determined by materiality under the GRI reporting framework and mainly covers sustainability aspect, including significant indicators which are relevant to the organization and the availability of the information. This year, the Company organized a meeting among related agencies to consider additional indicators which are expected to have significant implications which are beneficial to the report. The content of this report covers from economic, social and environmental, labor and human rights practice aspects to product responsibility under good corporate governance principle.

Corporate Communication Division has compiled the information and produced the report. The information relating to economy, society and environment was gathered from internal units and external organizations namely Corporate Governance Committee, Company

Secretary, Risk Management, Governance, Finance, Human Capital, Business and Operation Strategy, Innovation and Continuous Improvement, Internal Audit, Legal, Corporate Marketing, Pruksha Precast Factory, Occupational Health Safety and Environment and other business units as well as the information from stakeholders who are directly impacted from the Company's social service programs.

This is the sixth Sustainability Report the Company has produced, we expect that this report will be useful to all stakeholders, including employees/executives, customers, vendor/business partners, creditors, communities, shareholders, government agencies, media and competitors. Pruksha Real Estate has constantly improved the quality of the report to make it clearer and easy to understand to contribute to the development in the work process of the Company and public the report in www.pruksha.com/CSR.

FOR MORE INFORMATION, PLEASE CONTACT :

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AROUND PRUKSA

Pruksa Path

Pruksa Real Estate Public Company Limited runs a business of real estate development namely townhouses, single detached houses and condominiums in Bangkok and Metropolitan areas as well as other provincial areas and overseas using steel-reinforced concrete construction technology and continuously enhancing its construction efficiency to reach international standard. In 2014, the Company added seven additional factories to meet the demands of high quality dwelling while enhancing its construction efficiency of various projects and running its business operation based on corporate social responsibility as well as responsibility towards every group of stakeholders to ensure that the Company will co-prosper with Thai society in sustainable manner.

As of the end of 2014, the Company has a total of 176 Active Projects, totaling 69,994 units.

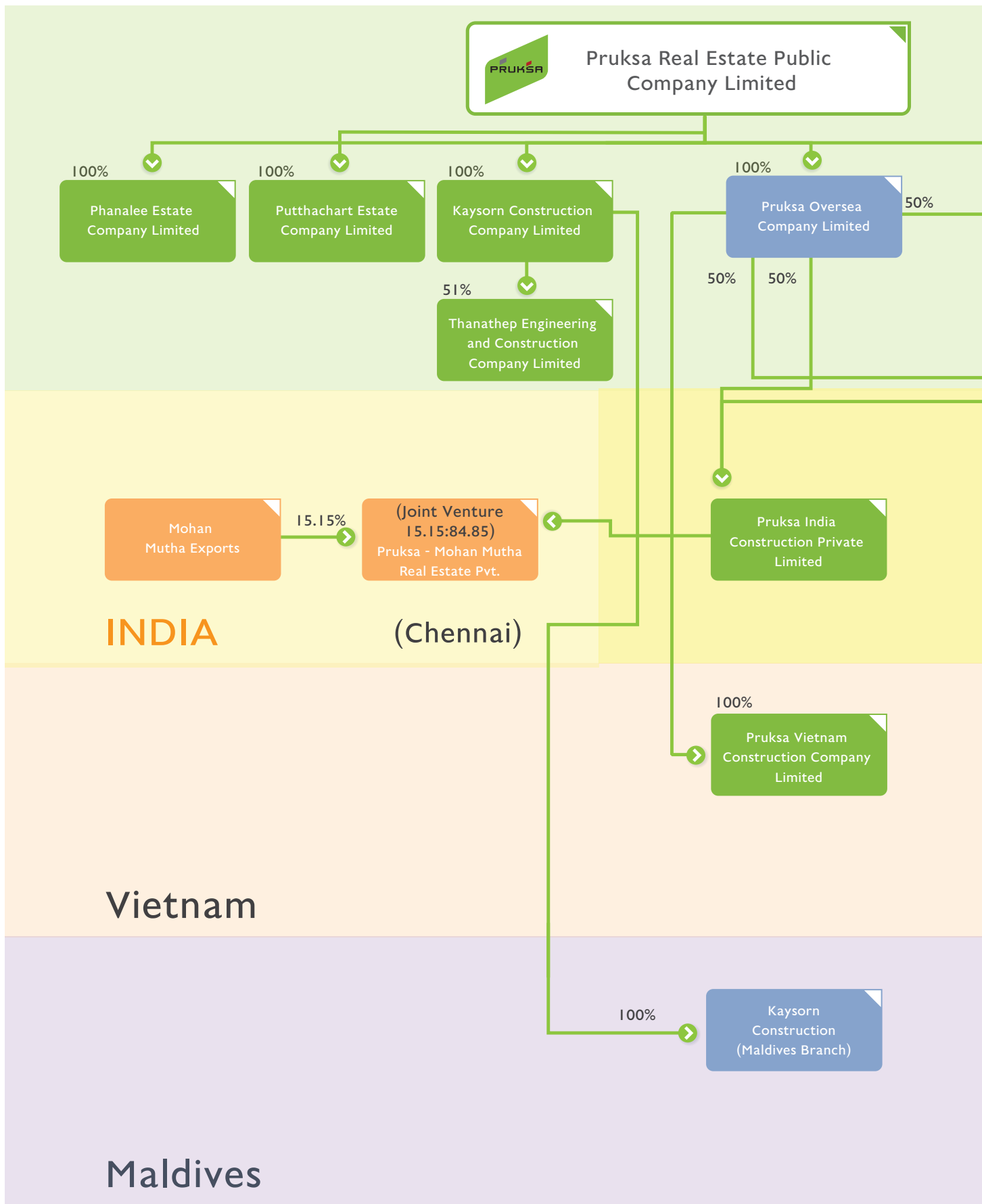
Project	No. of projects	No. of units	No. of sold units	% of sold units	No. of unsold units	% of unsold units
Townhouses	95	28,308	14,003	49.47%	14,305	50.53%
Single detached Houses	49	12,863	6,751	52.48%	6,112	47.52%
Condominiums	32	28,823	18,440	63.98%	10,383	36.02%
Total	176	69,994	39,194	56.00%	30,800	44.00%

Business and Operational Strategies

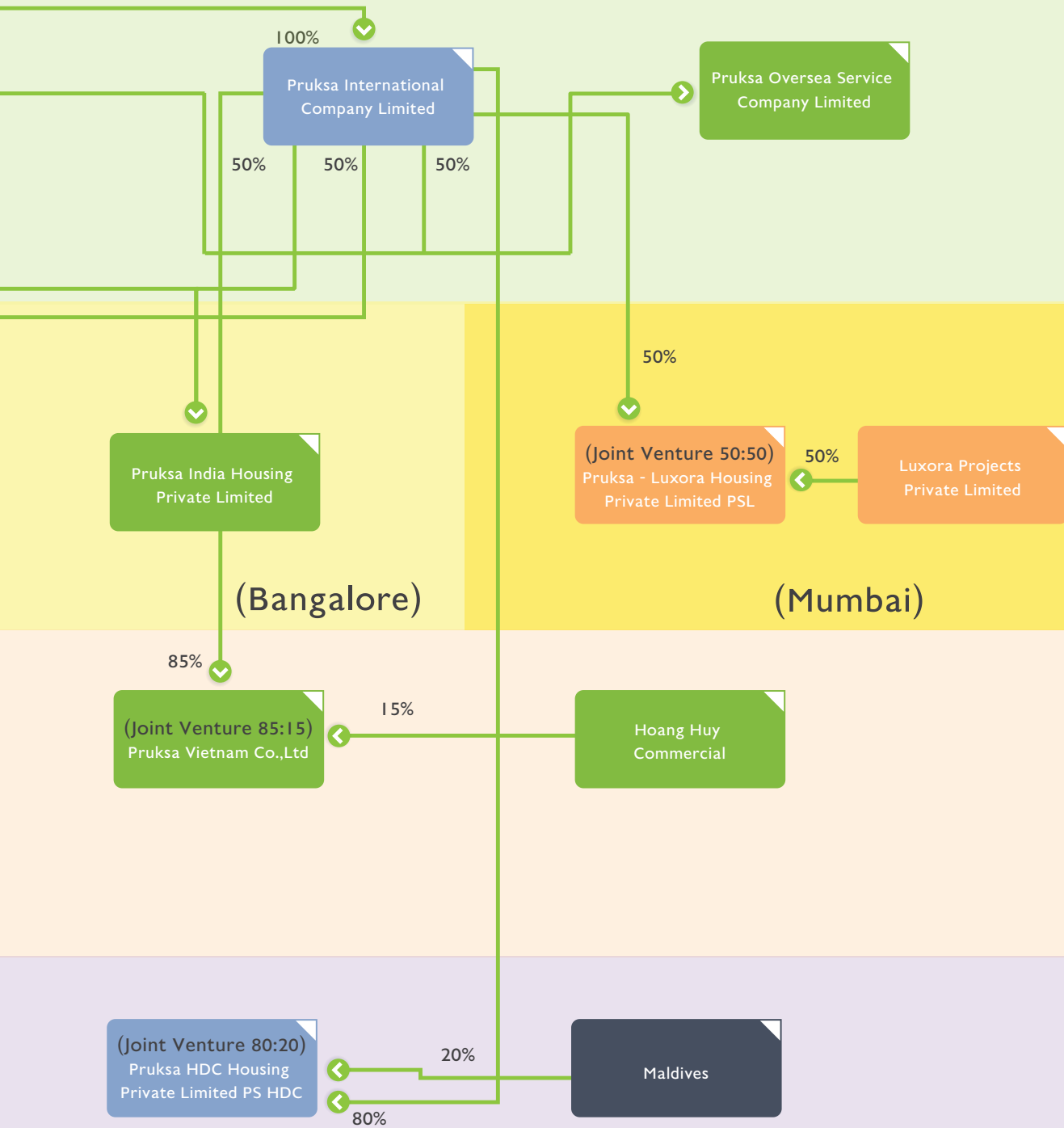
Carry out business to achieve steady and sustainable growth based on transparency and social responsibility principle with key strategies as follow:

- Maintain existing customer base while creating business expansion by expanding townhouse and single detached house projects to higher value markets as well as provincial markets with high potential as a result from industrial expansion and transportation infrastructure development. Both of which causes an increasing demand in residential projects, including expanding low-price condominium projects to gain higher market share in rapidly growing lower-end market.
- Apply precast construction technology and project management technology in project and construction development to enable the Company to step forth as low-cost leader as well as to minimize construction period to ensure completion within the specified deadline, including encouraging all relevant agencies to exchange ideas in how to achieve optimal benefits from the innovation.
- Strengthen the brand through continuous product and service development to gain customer confidence and satisfaction together with improving brand image in each market group to make it clearer and enable direct communication access to target groups.
- Strengthen organization in various aspects such as:
 - » Financial development through efficient financial and risk management.
 - » Organization and process development to support organizational growth.
 - » Human resource development by focusing on creating happy working environment for employees.
 - » Value creation development with Stakeholders by enhancing efficiency of internal administration in gaining good returns and creating shared value.

Organizational structure



THAILAND



SUBSIDIARIES

The company has set up subsidiaries and joint ventures with other companies to streamline the business operation and increase the business potential. Currently, the company's subsidiaries and joint ventures are as follow :

Prukso Precast Factory

Address : Prukso Precast 1-5 : 54/1 Moo 4, Ladsawai Sub-District, Lamlookka District, Pathumthani 12150
 : Prukso Precast 6-7 : 69/5 Moo 11, Khlong Nung Sub-District, Khlong Luang District, Pathumthani 12120

Business Type : Precast concrete factory and Precast fence and pillar factory

SUBSIDIARIES

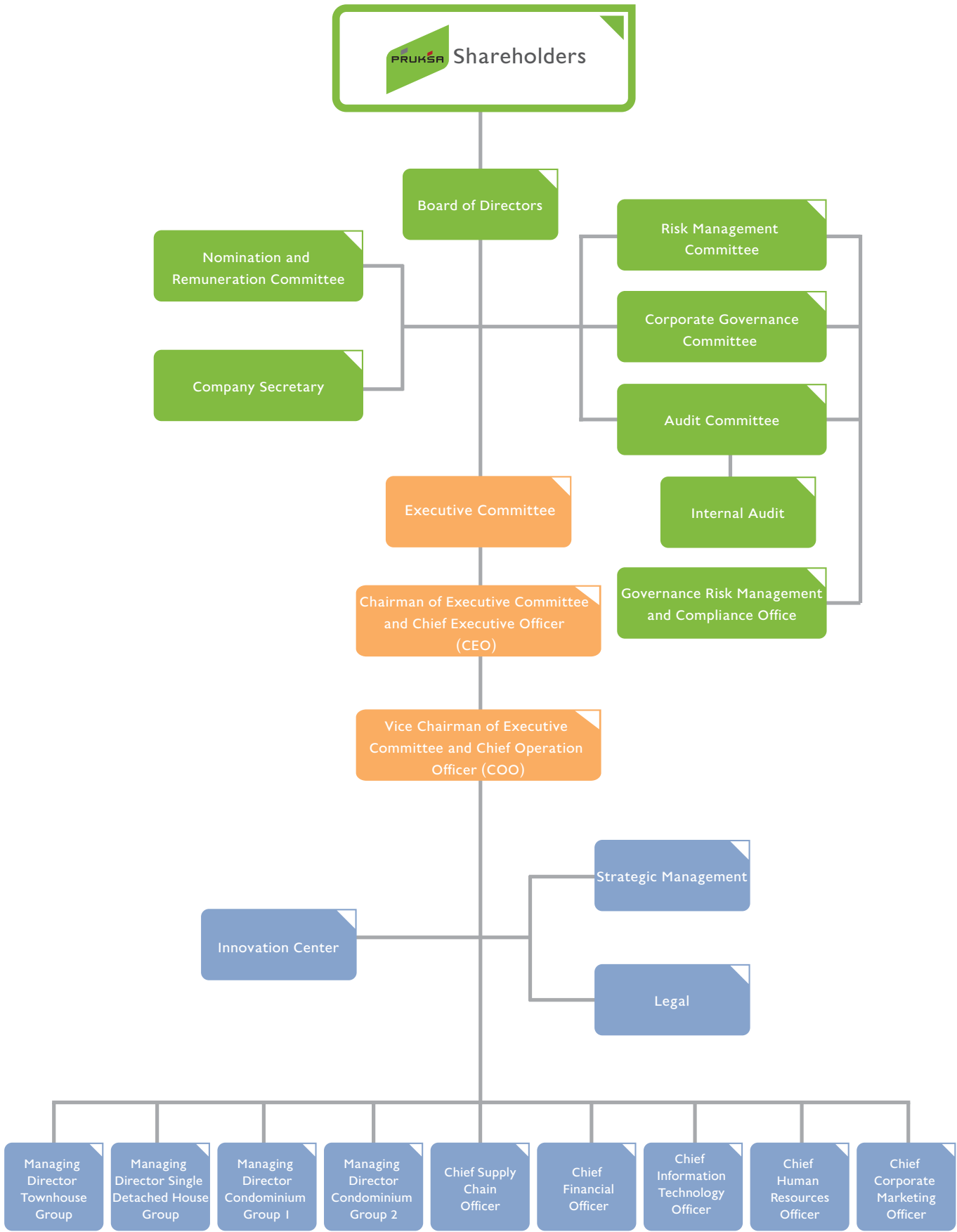
	Company	Address	Business Type
1	Kaysorn Construction Company Limited	SM Tower, 29 th Floor, 979/95, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Construction contractor and housing decoration
2	Putthachart Estate Company Limited	SM Tower, 30 th Floor, 979/99, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development
3	Phanalee Estate Company Limited	SM Tower, 30 th Floor, 979/97, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development
4	Prukso Overseas Company Limited	SM Tower, 30 th Floor, 979/100, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development in other countries
5	Prukso International Company Limited	SM Tower, 30 th Floor, 979/98, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Real estate development in other countries
6	Prukso Overseas Services Company Limited	SM Tower, 27 th Floor, 979/84, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400	Regional operating headquarters (ROHs) support and service for the industries under the group or the company's branches inside and outside Thailand.
7	Prukso India Housing Private Limited	Ferns Icon, Unit No. 28, 1 st Floor, Daddanekundi Village, Next to Akme Ballet, Marathahalli Outer Ring Road, Bangalore-560 037 Karnataka, India	Real estate development in India
8	Prukso India Construction Private Limited	Ferns Icon, Unit No. 28, 1 st Floor, Daddanekundi Village, Next to Akme Ballet, Marathahalli Outer Ring Road, Bangalore-560 037 Karnataka, India	Construction contractor in India

	Company	Address	Business Type
9	Pruksa Vietnam Construction Co., Ltd	Unit B, 8 th Floor, No. 116 Nguyen Duc Canh, Cat Dai Ward, Le Chan District, Hai Phong, Vietnam	Construction contractor in Vietnam
10	Kaysorn Construction Company Limited (Maldives Branch)	Second Floor, HDC Building, Hulhumale, Republic of Maldives	Construction contractor and housing decoration in Maldives

JOINT VENTURES

	Company	Address	Business Type
1	Pruksa-HDC Housing Private Limited	Second Floor, HDC Building, Hulhumale, Republic of Maldives	Real estate development in Maldives
2	Pruksa-Mohan Mutha Real Estate Private Limited	Brooklyn Business Centre, 6 th Floor West Wing, 103-105, Poonamallee High Road, Chennai-600085 Tamil Nadu, India	Real estate development in India
3	Pruksa-Luxora Housing Private Limited	Soham House, Hari Om Nagar, Off. Eastern Express Highway, Mulund (East), Mumbai - 400081 Maharashtra, India	Real estate development in India
4	Pruksa Vietnam Company Limited	Unit A, 8 th Floor, No.116 Nguyen Duc Canh, Cat Dai Ward, Le Chan District, Hai Phong, Vietnam	Real estate development in Vietnam
5	Thanatthep Engineering and Construction Company Limited	Lim Charoen 2 Building, 3 th Floor, 37/1, Vipavadee Road, Samsennai, Phayathai, Bangkok 10400	Construction contractor

PRUKSA REAL ESTATE PUBLIC COMPANY LIMITED ORGANIZATION STRUCTURE



PRUKSA'S VISION, MISSION, CULTURE AND VALUE



VISION

"Pruksa aims to be the number one real estate brand in customers' minds with the goal of becoming a top ten residential brand in Asia by creating high-value homes for families to experience warmth, happiness and a better life every day."

MISSION

We are dedicated to fulfilling our customer's dreams of owning a home that truly value to enjoy their family life.

PRUKSA CULTURE

"I truly care about my customers. I want them to be happy.
So I work with passion to really satisfy their needs.
Firstly, I try very hard to understand what customers want.
This requires me to think through very carefully
until I come up with the right solution.
Then I move quickly into action on their behalf.
If my customers are happy, I feel proud I did a good job."

PRUKSA VALUE

"Customer Focus"

- We make every effort to understand our customers, providing superior services in order to satisfy them with a home that matches their needs.

"Creative Innovation"

- We create innovative products and services that surpass our customers expectations.

"Collaboration"

- We work in harmony as a team to deliver greater results to our customers.

"Discipline"

- We have discipline to complete our work on time, according to our plans and high quality standard.

"Ethics"

- We adhere ethical reasons and do for the benefit of our customers as well as for the well-being of all stakeholders.

Good Corporate Governance Principle



Good Corporate Governance Principle and Code of Business Ethics

The Company has placed high importance on and followed the good corporate governance principle pursuant to the international standard and the policies of the Stock Exchange of Thailand. The Company has outlined the Principles of Good Corporate Governance to promote ethical practices in the business operation. The Company is confident that good corporate governance will contribute to the Company's operating result and it is an integral part of the Company's fundamental business goal.

The Company's good corporate governance principle comprises of seven categories as follow:

1. The Board of Directors
2. Rights of Shareholders
3. Equitable Treatment of Shareholders
4. Role of Stakeholders
5. Disclosure and Transparency
6. Internal Control and Risk Management
7. Philosophy and Code of Conduct

The Company communicated "The Principle of Good Corporate Governance" through "Tai-Rom" Journal and on the Company's website, www.pruksa.com, to encourage the Directors, Management and employees to acknowledge, observe and monitor compliance based on operational performance. All relevant operations must ensure strict compliance whereas critical matters must first be given approval from different sets of committee such as Executive Committee, Executive Committee or Board of Directors.

I. The Board of Directors

The Board of Directors is accountable to all shareholders for ensuring that the business of the Company is managed properly in the best interests of the shareholders, stakeholders, society and environment. The Board of Directors has a key role in overseeing the Company's management to make sure that the management will commit themselves to performance excellence with due consideration to risk exposure of the Company.

The Board Structure

- **The Board of Directors of the Company** (as at 31 December 2014) consists of 13 members with diverse capability in professional skill and expertise. Eleven members are male and two members are female. Three members are between 30-50 years whereas the other ten members are above 50 years. There are eight non-executive directors of which one member, Professor Emeritus Dr. Trungjai Buranasomphop, has working experience relating to the Company's business (eight independent directors include Dr. Pisit Leeahtam, Professor Emeritus Dr. Trungjai Buranasomphop, Mr. Weerachai Ngamdeevilaisak, Mr. Adul Chandanachulaka, Mr. Kanchit Bunajinda, Mr. Piyasawas Ammaranand, Mr. Wichian Mektrakarn, and Dr. Anusorn Sangnimnual, which exceed one-third of the Board) and five executive directors. Besides, Chairman of the Board of Directors (Dr. Pisit Leeahtam) and Chairman of the Executive Committee (Mr. Thongma Vijitpongpan) are not the same person and they have different scope of duties and responsibilities. (See more details in sections "Directors and Executives Backgrounds", "Role and Responsibility of Chairman of the Board", and "Scope of Responsibility of the Board of Directors").

- **Sub-Committees** The Company has established sub-committees pursuant to the regulations of SET namely the Audit Committee as well as other sub-committees to support the work of the Board of Directors such as Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance Committee and Executive Committee.

1) Audit Committee

The Audit Committee is responsible for reviewing the Company's financial statements and financial reports to ensure their accuracy and completeness, including giving approval on any changes in accounting guidelines or significant accounting practices, providing adequate and effective internal control and internal audit system, and reviewing the independence of internal audit. The Audit Committee also approves the appointment, transfer and termination of employment of Chief of Internal Audit Unit or any other function responsible for internal auditing, including reviewing internal audit report submitted to the management, reviewing the management's comments regarding auditing issues. Furthermore, Audit Committee has unrestricted access to management, corporate staff and related information. It also considers disclosures of information relevant to connected transaction or transaction which can potentially lead to conflict of interest pursuant to laws and the regulations of the Stock of Exchange of Thailand. To ensure that the report is reasonable and most beneficial to the Company, the Audit Committee produces Audit Committee Report which is made available in the Company's Annual Report and reviews to ensure that the Company has followed the Securities and Exchange Act, the requirements of the Stock of Exchange of Thailand or relevant laws. The Audit Committee also considers the selection, nomination as well as setting the remuneration for financial auditors, including reviewing corporate charter at least once a year and carrying out any other tasks assigned by the Board of Directors. The Audit Committee performs their duties and expresses their opinions in an independent and objective manner on any auditing tasks performed by Internal Audit Unit which directly reports to the Audit Committee and consults regularly with external auditors.

2) Risk Management Committee

The Risk Management Committee is responsible for acknowledging and providing recommendations regarding the policies, strategies and organizational risk management guidelines, including examining the risk management plan of the operational units as well as the overall corporate risk management procedure. Risk Management Committee acknowledges significant risks and determines whether or not the management has appropriately addressed such risk and monitored the operating result in accordance with risk management framework at organizational level.

3) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for setting the policies and criteria for the selection and to consider the selection of the Company's Board of Directors, sub-committees, Chief Executive Officer, the Executive Managing Director and Managing Director to be approved by the Board of Directors and/or seek approval from the Shareholders' Meeting. The Nomination and Remuneration Committee also determines necessary and appropriate policy and criteria for remuneration both in monetary and non-monetary forms, including setting guidelines and criteria for performance evaluation, reviewing policy and criteria for selection and determining compensation as well as payment system to ensure they are appropriate with the assigned duties and responsibilities as well as the Company's operating performance and market conditions.

4) Corporate Governance Committee

The Corporate Governance Committee is responsible for considering, reviewing and submit to the Board of Directors for approval of good governance policy, business ethics, social & environmental responsibility policy, sustainable development policy as well as other policies and practices that will support the Company's performance in compliance with desirable ethical standard and practice. Corporate Governance Committee also oversees that the management executes the above mentioned

policy/guidelines for continuous development of the Company. It also monitors and reviews different work processes within the organization for compliance with desirable ethics and practice, including following up and providing instruction in case the management or employees failed to comply with the established policies and guidelines, following up and reporting operating results according to corporate governance policy and other related policies to the Board of Directors and external organizations as deemed appropriate.

5) Executive Committee

The Executive Committee is responsible for formulating policies, goals, strategies, operation plans, fiscal budget and scope of management authority of the Company to be submitted to the Board of Directors for approval. The Executive Committee also oversees the Company's business performance to ensure operational effectiveness and favorable to business environment, including providing consultation and suggestions regarding management to high-ranking executives, approving investment expenditure, carrying out financial activities with financial institutions as well as purchase and sale or registration of properties for routine business transaction of the Company. Furthermore, Executive Committee determines organizational structure and effective management, including supervising and approving issues pertaining to organizational performance as well as screening all matters submitted to the Board of Directors with the exception of matters under the duty and responsibility and/or the authority of other sub-committees.

2. Rights of Shareholders

By recognizing the importance of the rights of shareholders, the Company refrains from any act which may violate or curtail the rights of the shareholders. This includes rights to equally receive dividend paid from net profit, rights to repurchase the Company's shares, rights to communicate between parties, rights to propose agenda of the meeting, rights to nominate director, rights to submit questions relating to meeting's agenda in advance, rights to attend

Shareholders' Meeting and cast a vote, rights to grant proxy to any persons to attend the meeting and cast a vote on behalf, rights to express opinions and raise questions at the Shareholders' Meeting, rights to cast a vote in the election of directors individually, rights to consider the remuneration for directors and rights to appoint external auditors and determine auditors' fees.

3. Equitable Treatment of Shareholders

The Company is responsible for ensuring fair and equitable treatment of all shareholders in order to uphold their basic rights.

4. Role of Stakeholders

The Company recognizes and respects the rights of all stakeholders and therefore established a code of conduct outlining the guidelines in respect to ensure that lawful rights of stakeholders, whether it be shareholders, employees, executives, customers, partners creditors or general public, are properly protected and cooperation among these groups is promoted according to their role and responsibility to ensure sustainable growth of the Company's business and that benefits are generated to all concerned in fair manner.

5. Disclosure and Transparency

It is part of the Company's policy to fully, sufficiently and consistently disclose information, whether financial or non-financial, in a timely and accurate manner through Annual Registration Statement (Form 56-1), Annual Report and the Company's website in Thai and English as well as other public media. Investor Relations Unit is established to allow coordination between the Company and shareholders, securities analysts and other concerned parties.

The Company does not only emphasize but also established a policy for disclosure of accurate, reliable and complete information, both financial and non-financial, to ensure investors have sufficient information for making decision in a timely manner. Such information includes structure of subsidiaries; shareholding structure which clearly and completely displays major shareholder and proportions of minor shareholder and must be the most recent information which clearly inform the real beneficial owner of the Company, good corporate governance policy, code of conduct, risk management policy, social and environmental responsibility policy, report on financial reporting responsibility of the Board of

Directors, audit report of certified public accountant, Management Discussion and Analysis (MD&A), audit fee and other expenses on services provided by auditor, role and responsibility of Committee and Sub-Committee, meeting attendance of each director during the past year, professional knowledge development and training for the Board of Directors, and policy on remuneration for directors and high-ranking executives. Disclosure of this information strictly conformed to the rules and regulations set out by the Office of the Securities and Exchange Commission (SEC), the Stock of Exchange of Thailand (SET) as well as relevant laws.

6. Internal Control and Risk Management

The Company has prepared comprehensive internal control and internal audit system that cover matters concerning finance, operations in compliance with relevant rules and regulations, and risk management.

7. Philosophy and Code of Conduct

The Company is strongly determined to encourage the management and every employee to uphold the same standard of conduct under the changing business environment. Hence, the Company has prescribed "Code of Conduct Manual" to be implemented as conduct guideline together with rules and regulations set out by the Company based on the framework of ethics, morality and honesty with equitable and constructive treatment by considering the safety of the society, the community and the environment, including anti-corruption efforts, anti-bribery, political involvement, any other potential conflict of interest, and the respect of rules of law and human rights principles. Each employee will receive a "Code of Conduct Manual" and is required affix their signature for acknowledgement and observation. Human Resource Department is specifically assigned to ensure the management and employees follow good corporate governance policies and business code of conduct with understanding and acceptance and trust since 2006.

Furthermore, the Company has prepared a video (VDO) to promote compliance with the Code of Conduct of the Company through various medias in raising awareness among employees, including providing video presentation to new employees during orientation. The Company constantly reviews the "Code of Conduct Manual" to ensure it is appropriately updated as well as to ensure that the management and employees share the same goals. During each revision, the Board of Directors will take part in formulating the Company's vision, mission, culture and values.

Disclose of Information and Internal Audit

Internal audit is a tool the Company uses to examine internal control process with internal unit carrying out the oversight task by considering the risk level in every activity of the Company under the scope of work relating to internal audit, compliance of rules and regulations, and financial statement. The examination plan must first be approved by the Audit Committee whereas audit result must be reported to the Audit Committee on a monthly basis. The approved audit result will be reported to the organization which has been audited for follow-up, finding solutions and addressing the issues in question. However, some cases may require joint solutions and actions from related agencies.

In addition, the Company has prepared channels for disclosing information, receiving claims, recommendations and useful advices including issues that may impact or pose risk to stakeholders as a result from business operation or malpractice or violation of the Company's ethics or dishonest act or unfair practices to the Board of Directors. Investigative process ensures the confidentiality of the informant to safeguard fair treatment of every related stakeholder under good corporate governance principle. Information, claims and recommendations will be forwarded to related agencies for consideration and follow-up according to desirable protocol. Summary report will be presented to the Board of Directors and Executive Committee on a monthly basis for further improvement. The prepared communication channels are as follow:

Channels of Contact for All Stakeholders

The Company has prepared channels for disclosing information, receiving claims, useful advices, including issues that may impact or pose risk to stakeholders as a result from business operation or malpractice or dishonest act or unfair practices or violation of the Company's ethics.

Investigative process of the Board of Directors ensures the confidentiality of the informant to safeguard fair treatment of every related stakeholder under good corporate governance principle. Information, claims and recommendations will be forwarded to related agencies for consideration and follow-up whereas summary report will be presented to the Board of Directors and Executive Committee on a monthly basis for further improvement.

CHANNEL TO CONTACT AND COMPLAINTS FOR ALL STAKEHOLDERS :

External communication		Internal communication	
	Telephone : Prukسا Contact Center 1739		Tai-Rom jurnal
	Website : http://www.pruksa.com		Intranet
	Live Chat (http://www.pruksa.com)		Prukسا Newspaper
	Facebook : Prukسا Family Club		Digital Signage
	E-mail Corporate Communication Division : cc@pruksa.com		Commission complaints : GRC@Pruksa.com
	Postal Mail : Corporate Communication Division, Prukسا Real Estate Public Company Limited		SMS
			Application Line : Prukسا Engagement
	www.youtube.com/PrukساFamilyClub		www.youtube.com/PrukساFamilyClub

PROCEDURE TO MANAGE PROBLEMS AND CLAIMS FOR CUSTOMER



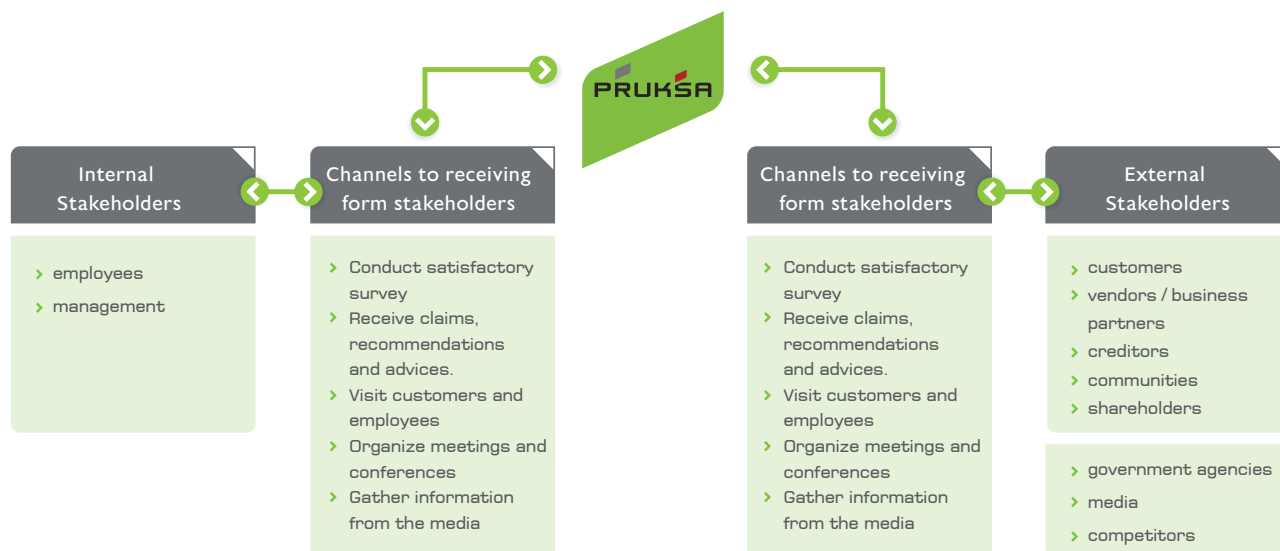
Impact Assessment on “Stakeholders”

The Company has carried out its business based on the consideration of impact on “the stakeholders” and set the priority based on the positive and negative impacts as well as the direct and indirect impacts to respond to the demands and expectations of the stakeholders by setting the priority tasks with the highest priority on top as follow :



All comments and recommendations from every group of stakeholders are gathered by surveying the requirements, satisfaction and expectation of stakeholders during meetings and visits among customers, employees as well as from various media for improvement in business performance as well as to properly and continuously meet the requirements of every group of stakeholders to enable sustainable business growth based on contribution and corporate governance principle.

Stakeholder Engagement



RESPONSIVE APPROACHES TO THE STAKEHOLDERS ARE PRIORITIZED AS FOLLOW :

Stakeholders	Guidelines and Strategies
Employees / Management	Knowledge development, fair and equitable treatment based on human rights principle to provide fair career opportunity.
Customers	Develop products and services to respond to diverse needs and control the quality to achieve the desired standard.
Vendors / Business Partners	Carry out business within the fair trade competition framework and provide appropriate compensation and develop the capacity and quality of labor.
Creditors	Treat creditors with fairness and transparency according to the conditions and agreements.
Community	Operate the business based on ethical standard and support activities to improve the quality of life, society and environment.
Shareholders	Operate the business based on corporate governance principle to ensure the business grows with solid foundation based on social responsibility
Government Agencies	Follow rules and procedures prescribed by relevant government agencies.
Media	Disclose information in a transparent, accurate and speedy manner.
Competitor	Treat competitors fairly under the scope of honest trade competition.

Risk Management

Organizational risk is a challenging task for the management as there is a high possibility of occurrence and may significantly impact the Company's business operation. Unfortunately, we can not determine when it will happen. However, if an organization is well aware of the matter and has tangibly prepared a management plan, such impact can not only be minimized but proper strategy or approach can also be determined to create business advantage in creating higher value for the organization and shareholders, including reducing negative impact, either directly and indirectly, on the society and stakeholders and eventually allowing sustainable growth.

Due to this reason, Pruksa has therefore established Risk Management Division on 1 July 2014 for formulating policies and ensuring the same standard of risk management practice, including managing and monitoring risks that may lead to extensive impact. The Company's risk management structure is as shown in the Company's management structure.

The established Risk Management Division is under Governance, Risk and Compliance Division (GRC) and directly reports to Risk Management Committee. The role and responsibility of agencies relevant to risk management are as follow:

Risk Management Committee at Organizational Level

- Formulate risk management policy and framework, including organizational risk management structure.
- Determine guideline for risk management at organizational level and prepare risk management report on regular basis.
- Identify and report significant risks (already occurred and expected to occur) including changes and risk management plan to the Board of Directors.
- Monitor, oversee and review risk management procedure including organizational risk management outcome.
- Promote compliance with policy and risk management procedure throughout the organization.
- Promote personnel development and continuously creating awareness regarding risk and control throughout the organization.

The Board of Directors

- Monitor various risk issues throughout the organization and prepare appropriate management plan.
- Monitor strategic risk and significant operational risk including ensuring appropriate risk management plan.
- Promote risk management policy and ensuring implementation of risk management procedure throughout organization and that all concerned parties place importance in risk management.

Management of Each Agency

- Identify and assess risk.
- Prepare risk register and risk management plan.
- Implement risk management according to the defined plan.
- Report risk and performance progress of risk management plan.
- Consider various risk factors and propose relevant risk issues in timely manner.

Risk Management Division

- Act as a point of contact and give advice relating to risk management of the organization and each operation division.
- Regularly coordinate and communicate matters concerning risk management of the organization/ each operation division.
- Encourage implementation of risk management policy within the organization/operation division.
- Prepare and collect risk information of the organization/operation division and regularly report the results to the management of that particular division and Risk Management Committee.
- Prioritize risk criticality and encourage management of major risks within the organization/operation division.

Risk management strategy at organizational level covers four types of risk as follow:

1. Strategic Risk such as economic fluctuation, government's financial policy, aggressive competition, foreign labor policy and changes of business partners.
2. Operation Risk such as construction delay, standardized construction quality assurance, complaints from surrounding community, inefficient information system, and the lack of continuous development of management and employees.
3. Financial Risk such as financial source insufficiency, increasing financial cost, increasing debt to cost ratio, and low rate of shareholder's return.
4. Compliance Risk such as violation of rules and regulations or laws relating to real estate, negligence and the lack of anti-corruption within the organization, and legal dispute with customers.

Projects in 2014

Business Continuity Management : BCM

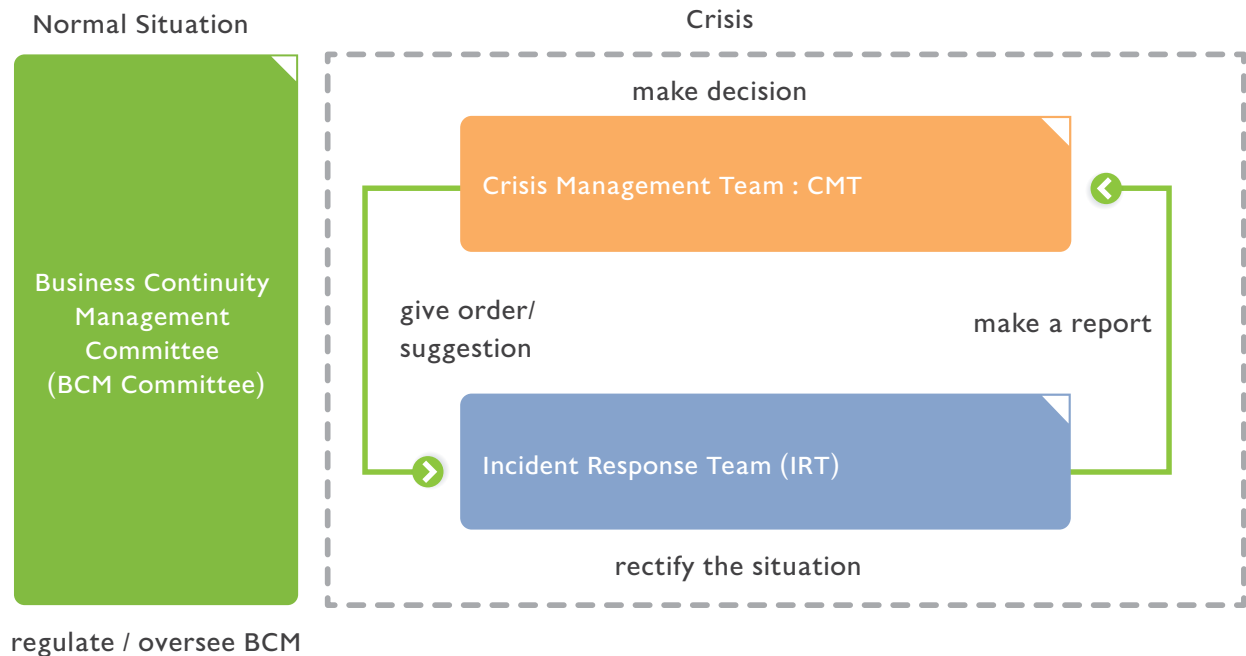
Business Continuity Management (BCM) is a vital part of Enterprise Risk Management (ERM). Despite its low possibility, such risk may obstruct business operation and bring tremendous loss as well as extensive impact as the Company has large supply chain. Business Continuity Management does not only concern handling of natural disaster or political crisis as have been encountered over the past 4-5 years but also concern factors and requirements relating to strategy. Hence, Pruksha initiated this project to enhance its capacity to enable flexibility in terms of responsiveness and effectively protecting the interests of stakeholders whether it be customer, employee, partner, community or the overall society, including reputation, image and value creation activities. As a result, the Company has formulated Business Continuity Management Policy and Structure as follow:

Business Continuity Management Policy

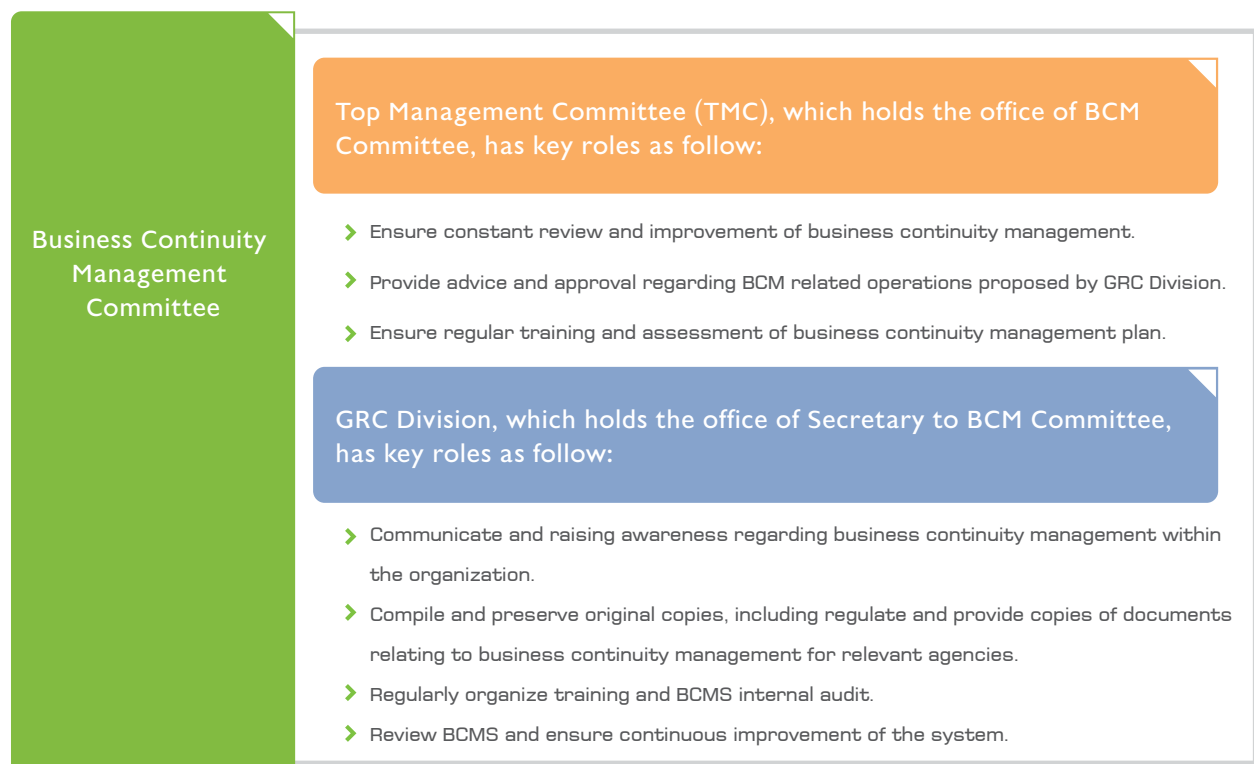
1. The Company intends to carry out business continuity management in accordance to international standard which covers planning, implementation, monitoring, review, training, preservation and improvement processes, including core activities and activities supporting the Company's core business.
2. The Company shall arrange for regular business continuity management training and drill in order to test readiness and ensure understanding regarding the role and responsibility as well as constantly creating awareness among employees and relevant persons regarding business continuity management.
3. The Company shall oversee Business Continuity Management System (BCMS) by periodically monitoring and reviewing the performance of BCMS to allow continuous improvement.
4. The Company considered business continuity management to be the responsibility of the management and every employee. Hence, every member should cooperate and comply with the defined Business Continuity Management Policy to allow adoption of BCMS and making it a part of Pruksha culture which aims to achieve business continuity and efficiency for sustainable growth.

The defined Business Continuity Management Policy will be informed to all employees at every level within the organization to ensure complete understanding as well as sustainable implementation and improvement of the system.

Business Continuity Management Framework

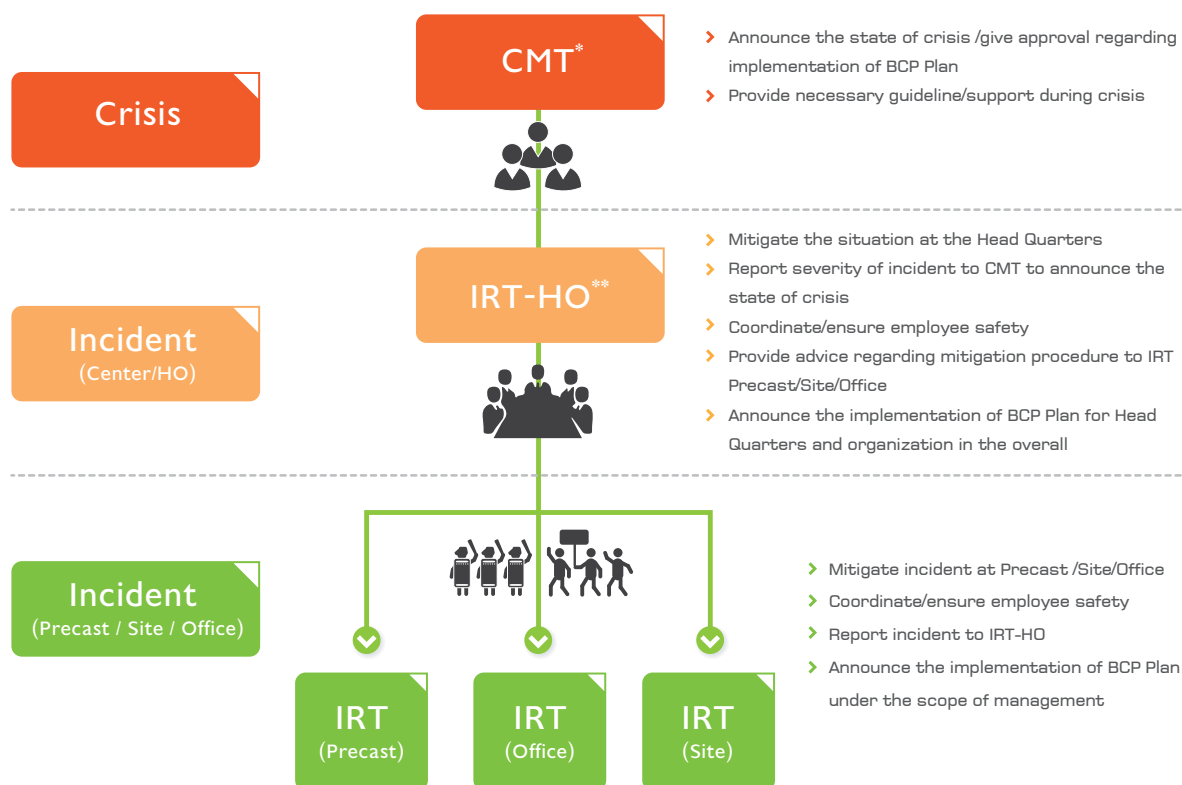


Business Continuity Management Committee



Business Continuity Management Structure (During Emergency Situation and Crisis)

The Company ensures flexibility through advance preparation for handling situations which may obstruct business operation or cause severe impact upon the organization to the point of business discontinuity. Hence, general business continuity management structure for emergency situation and crisis has been formulated as follow:



* Crisis Management Team (CMT) held office by TMC

** IRT : Incident Response Team

Business Continuity Management Project initiated by the Company comprises of the following international standard procedures:

1. Formulate business continuity management policy and framework, including informing the management and employees regarding the defined policy and framework.
2. Establish business continuity management structure to oversee and handle incident during emergency or crisis which consists of Crisis Management Team (CMT) and Incident Response Team (IRT).
3. Determine Critical Process based on evaluation of business impact due to incidents obstructing business operation, totaling 75 processes from the overall 205 processes.
4. Conduct impact assessment of the defined risks and prioritize the risks before selecting three major risks for preparing a complete Emergency Plan.
5. Define risk management strategy or options for reducing or preventing severity of impact due to major potential risks that may occur and obstruct business operation which includes:
 - 1) Inability to perform duty
 - 2) Insufficient management personnel
 - 3) Insufficient operation personnel
 - 4) Disruption in information system
 - 5) Insufficient construction or production materials
 - 6) Damaged machinery
 - 7) Suspension of construction
 - 8) Power system failure
 - 9) Important documents become damaged

6. Based on the approved guideline, prepare Incident Management Plan, Emergency Response Plan, Business Continuity Plan, Disaster Recovery Plan and Resumption/Return to Normal Plan which comprises of procedures and responsible persons during crisis which may obstruct major business operations.
7. Arrange for routine drill based on business continuity plan to ensure all concerned parties and employees understand the procedure and able to execute the defined plan in real situation.
8. Review risks and business continuity management plan annually or whenever procedural changes are required.

Social Responsibility Guideline

The Company has incorporated social responsibility guidelines as part of CSR-in-Process as follow :

- **Good corporate governance**

Carry out the business practices lawfully according to the relevant laws with transparency and execute the corporate governance policy based on sufficiency philosophy by considering the interest of all stakeholders.

- **Fair business practice**

Promote fair competition, refrain from engaging in any act that may lead to conflict of interest and violations of intellectual property rights and oppose corruptions.

- **Anti-Corruption**

Prepare risk management plan for anti-corruption, including establishing report and follow-up procedures, raising awareness among employees and partners regarding potential consequences due to corruptions, and prevent corruption by collaborating with anti-corruption network.

- **Accountability to customers**

Strive to develop the quality products without leaving negative impacts on the environment, provide accurate information about the products and services without exaggeration, keep the customers' secrets confidential and refrain from unlawfully using the customers' information for the benefit of themselves or related parties.

- **Fair Treatment among Labor Force**

Practice fair employment without discrimination, avoid using forced labor or child labor, and provide safe and healthy working environment.

- **Human rights and employee treatment**

Support and respect human rights, treat employees with equity and fairness regardless of their gender, race and religion and provide for the welfare, safety and sanitation in workplace including the execution of policies to support human resource learning and development and encourage the employee participation in social service activities.

- **Community & social development**

Enhance the effort to develop innovation to promote the quality of life to strengthen the economy, the community, the society and the environment in tandem with an expansion of sustainable business, coupled with the social responsibility in every step of Pruksha Value Supply Chain.

- **Environment and safety**

Provide for inspections and analyses about environmental impact and safety in business process as well as an efficient use of resources.

- **Publicize Social Responsibility Innovation**

Publicize social responsibility innovation through Sustainability Report.

Important Events in 2014



In 2014, Pruksha Real Estate Public Company Limited experienced a series of important events including “**THINK AHEAD**” campaign to inform and instill Pruksha Values among employees at every level to become part of their DNA for the best interests of all employees as well as the Company. Pruksha Values consist of five values as follow:

- Customer Focus
- Creative innovation
- Collaboration
- Discipline
- Ethic

Management:

- Two new Pruksha Precast Factories were established in Nawanakhon to support the construction of quality residential project and the first Green Factory in Thailand in preparation for the upcoming AEC as well as investment in the country's transportation infrastructure, both of which is expected to lead to economic growth. Pruksha invested 2,300 million Baht in the construction of the new Pruksha Precast Factories, including the production of steel-reinforced concrete for residential projects carried out by the Company. Currently, the Company's production capacity is averagely at 480 houses per month. When including the existing five factories, the Company's overall production capacity reaches as high as 1,120 houses per month, which is consistent with the defined plan for new project launch and delivery of quality residence for the increasing number of customers each year.
- The Company signed MOU for “**Cooperation Project to Develop the Service to Streamline Power Supply Request from Housing Village**” to collaborate with Provincial Electricity Authority in facilitating and improving power service namely filing request for electricity supply, receiving payment and designing power system for interior and exterior of the project for the purpose of further expansion of service coverage to every provincial area.
- The Company also signed MOU for “**Project to Study and Improve the Service 2014**” to collaborate with Metropolitan Waterworks Authority (MWA) to jointly develop tap water pipe system in various residential projects of Pruksha Real Estate which are located within MWA service area to ensure optimal efficiency in service.

Performance:

- The Company accomplished its revenue goal by gaining the highest income in history totaling 43,027 million Baht, which is higher than the expected goal of 42,000 million Baht.
- The Company received “**Best Investor Relations Awards 2014**” under the category of companies with the stock value worth between 20,000 - 50,000 million Baht as a registered company with outstanding performance in investor relations and collaboration-focused.

Social Responsibility:

- Pruksha Real Estate announced its newly established social responsibility policy which the Company strives to develop its real estate business in order to drive the economy and society as well as promoting environmental conservation by delivering quality products and services and raising consciousness among employees to work by “heart” based on good corporate governance principle and the best interests of every group of stakeholders.
- This year is another successful year for the Company as it received three CSR Awards, the same awards which the Company has earned for two consecutive years which include:
 - » Outstanding Corporate Social Responsibility Awards
 - » CSR Recognition 2014
 - » Sustainability Report Award 2014

Innovation and Quality:

- The Company practice Creative Innovation by incorporating prefabricated bathroom in its construction to create value added for customers. Today, prefabricated bathroom has been applied with condominium group and is expecting to be applied with single-detached house and townhouse projects in the near future.

I-Inspection is another product of Pruksha Value for Customer Focus and Creative Innovation. Developed during SGA Award Competition held by the Company, the purpose of this software is to enhance after-sales service performance. After its application, it can be found that customer satisfaction level has been raised as the software can not only provide a complete repair notification history but also enable correct rectification and timely service response for customers.

Economics **Performance**



“ Passion ”
for Strong Growth



Economics Performance



For the year 2014, the Company and its subsidiaries generated total revenue of 43,027 million baht, an increase of 3,986 million baht or a 10.2% increase from the previous year. The main factor was an increase of real estate sales of 3,933 million baht. The revenue from townhouses, the main segment of the Company was 22,791 million baht, an increase of 2,122 million baht or a 10.3% increase from the previous year. Revenue from single-detached house was 9,776 million baht and grew by 581 million baht or a 6.3% increase from the previous year. Revenue from condominium was 9,694 million baht, an increase of 1,244 million baht or a 14.7% increase from the previous year. The company and its subsidiaries have expanded its investment in many projects in both townhouses and single-detached houses and are able to reduce the business cycle time and speed-up transfers to the customers. During the year, the Company completed condominium projects and recognized increase to higher revenues.

For the year 2014, the net profit was 6,654 million baht or 15.5% of total revenue, an increase of 853 million baht or 14.7% increase from the previously year due to higher revenues. There is a profit of 6,655 million baht of the parent and the loss of non-controlling interests was 0.7 million baht.



Economic Value and Distributed	Amount (Baht)
Direct economic value generated	
• Total Revenues	43,026,971,098
Direct economic value distributed	
• Operating Costs	27,094,617,521
• Employee Wages and Benefits	3,115,152,562
• Payments to Providers of Capital	2,602,541,651
• Payments to Government	3,485,589,503
• Community Investment	63,302,083
Economic Value Retained	6,665,767,778

Remark : The payments to government consists of Corporate Income Tax 1,811,690,444 Baht, Specific Business Tax 1,400,530,335 Baht, and Ownership Transfer Fee 273,368,724 Baht. Total 3,485,589,503 Baht

Referent : Annual Financial Statement 2014 and Annual Report 2014

Social Responsibility



“ Passsion ”
for Sustainable Future



Social Responsibility

PRUKSA CSR POLICY

“Pruksa Real Estate Public Company Limited focuses on developing its real estate business in hope to drive the country’s economy and society as well as promoting environmental conservation by delivering quality products and service and encouraging employees to perform duty by “heart” based on good corporate governance principle and the best interests of every group of stakeholders.”

Participation in Social Development for Sustainability

In 2014, the Company carried out CSR in Process by focusing on producing quality products and services to achieve customer satisfaction, including CSR after Process by mainly focusing on three aspects including education & youth development, society & environment, and religion art & culture. In 2014, the Company carried out a total of 555 projects which comprises of projects initiated by the Company itself and projects which the Company collaborated with other agencies for social development contribution, totaling 41,268,329 Baht. However, social and environmental aspect still has the highest operating results, or 84 percent according to the details shown in the Table below.

CSR-after-Process 2014	Project	Percent	Budget (Baht)
Education & Youth Development	33	6	4,834,600
Society & Environment	466	84	35,294,229
Religion Art & Culture	56	10	1,139,500
Total	555	100	41,268,329

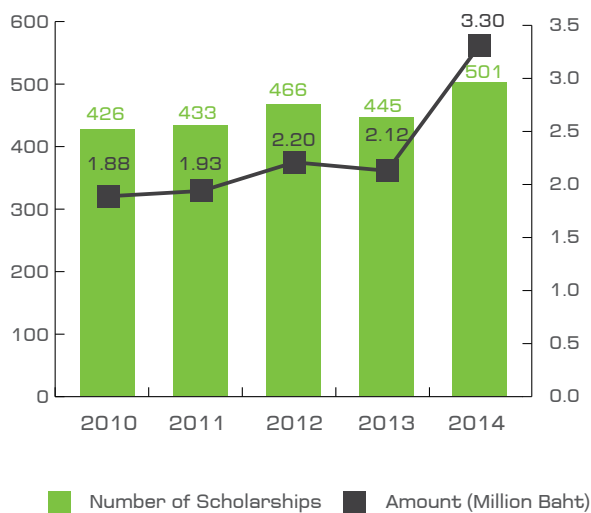
Education & Youth Development

The Company places great importance in education & youth development and therefore provides continuous support by offering various education opportunities such as:

- “Pruksa Scholarship” Project which has been carried out for thirteen consecutive years to support the children of customers, employees and youth with outstanding academic achievement but lack of financial support from elementary level to undergraduate level. Furthermore, the Company offers scholarship for engineering students with outstanding academic achievement and possess undergraduate level competency, which will become the main driving force to push the country forward. In 2014, the Company gave a total of 501 scholarships, totaling 3.3 million Baht.

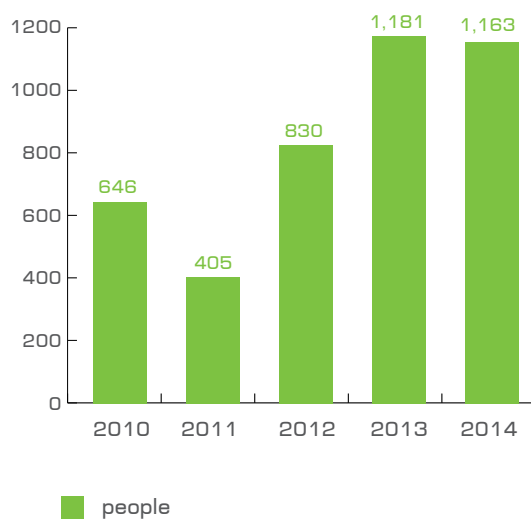


Total Pruksa Scholarships 2010-2014



- “Pruksa Precast Factory Learning Center” Project was initiated to give chance to students from various academic institutions as well as interested organizations to visit and have first-hand experience on the latest construction innovation process using steel-reinforced concrete at Pruksa Precast Factory. In 2014, a total of 1,163 visitors from 17 academic institutions and leading organizations visited the factory including Chulalongkorn University, Kasetsart University, Chiang Mai University, King Mongkut's University of Technology Thonburi, Assumption University, and Asia Institute of Technology.

Total visitors Pruksa Precast Factory Learning Center 2010-2014



Furthermore, the Company also provided various other supports in education & youth development including:

- The Company joined MOU signing ceremony to take part in 1 for 9 Project (One for Nine) in collaboration with the Office for National Education Standards and Quality Assessment (ONESQA) to support education quality development in uplifting education standard of academic institutions.
- The Company has continuously supported “2B–KMUTT : Civil Camp” held by Civil Engineering Department, the Faculty of Engineering, King Mongkut's University of Technology Thonburi, to give chance to high school students to learn and experience the life of civil engineers in terms of studies, profession and career advancement to help them in deciding whether or not to continue their studies in the field of civil engineering.





- In 2014, the Company supported KMUTT Team in “Solar Decathlon Europe 2014 Competition” (designing and constructing a sustainable and energy-independent home), which was the only team from Thailand and ASEAN Region to enter the competing round and awarded for second place in Popular Vote (Place Public Choice Online) at the Solar Decathlon Europe 2014 held at Versailles, France.

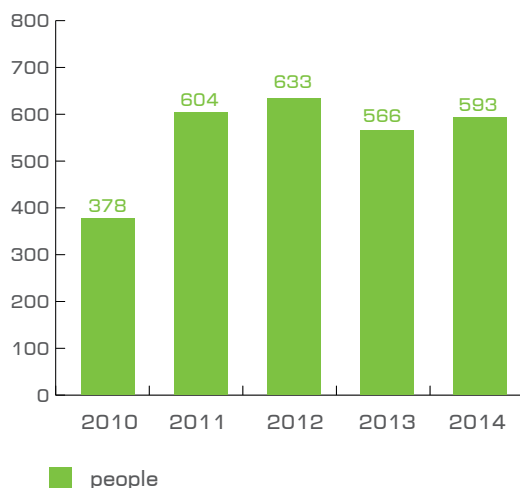
Society& Environment

At Pruksa, we run our business by placing great importance in social and environmental concerns. Hence, the Company initiated numerous projects and took part in various social and environmental supports by collaborating with government agencies, organizations and foundations as follow:

- “PRUKSA GreenLiving Healthy 2014” was held to provide customers, employees and nearby community free health check-up carried out by professional medical teams from leading hospitals, including distributing seedlings to promote green community. This activity has been continuously carried out by PRuksa for 12 consecutive years. In 2014, a total of 959 participants joined the project.
- “Pruksa shows gratitude to the Father of the Kingdom through blood donation” was organized by the Company in collaboration with the Thai Red Cross to encourage employees and general public to give blood donation in aiding patients nationwide. In 2014, a total of 593 participants joined the campaign, delivering a total blood amount of 237,200 cc to the Thai Red Cross National Blood Center. This is the 9th blood donation campaign carried out by Pruksa.



Number of blood donors



- “Prukse Green Community” was organized in collaboration with the Department of Environment Bangkok to educate community regarding proper ways to dispose wastes and wastewater from source to promote sustainable environmental pollution prevention among community. The Company uses Baan Prukse 70 Chalong Krung-Ladkrabang Industrial Estate as the pioneer project for this activity.
- The Company offered emergency aids during massive fire eruption at a rubbish dump in SamutPrakarn by providing protection masks for the volunteer rescue team who joined the firefighting mission as well as nearby residents affected by the incident. The Company also dispatched medical teams to the affected area to give medical service for those affected, including handing out “Healthcare Manual” as a guideline for self-protection from dusts and toxic smoke.



Furthermore, the Company also encouraged employees to participate in social development activities throughout the year 2014 as follow:

- Prukse management and employees jointly expressed their appreciation and gratitude and wish for good health to His Majesty the King at 100-Year Siriraj Pavilion, Siriraj Hospital.
- “Art for All:Overcome Limitations” Camp was organized in collaboration with “Art for All Foundation”to encourage employees to learn and share experience with the physically challenged people using art as medium of communication and learning.

- “ICE BUCKET CHALLENGE TH” joined by Mr. ThongmaVijitpongpun as well as the management and employees of the Company to raise funds for aiding numerous projects and activities of ALS Association, Prasat Neurological Institute, Siriraj Foundation, and Art for All Foundation.



- Mr. ThongmaVijitpongpun together with the management team and employees of the Company joined a walk rally under a campaign called “HAND IN HAND” to eliminate and prevent corruptions in order to pave way for clean society, clean economy of Thailand.



- Pruksa donated second-hand books to support a project initiated by the Mirror Foundation called “Read Builds the Nation” by providing “Tu Nung Seu Yen Yen” for communities in need.



- The Company also donated unused calendars to “Foundation for the Blind in Thailand” for producing media for learning and teaching the visually impaired.

Religion Art & Culture

At Pruksa, we place great importance in religion and cultural heritage by organizing various religious and cultural activities for the management, employees and families as follow:

- **Dharma Talk titling “Consciousness is a Merciful Dharma”** by Venerable Archan Praraj Pathiphan Sopon (Manop Tikukano Por.Thor.9) was organized at Wat Ratcha Orasaram Ratchaworawiharn to build “consciousness” among employees and encourage them to apply the morals learned in real life situation.
- **Dharma Talk titling “Enjoy Your Work without Creating Sufferings to Your Colleagues”** by Venerable Phra Phayom Kanlayano was organized at Wat Suan Kaew to promote happiness and enjoyment among employees through dharma talk activity as well as encouraging them to apply the morals learned at work.
- **“Meditation Activity”** was organized at The Young Buddhists Association of Thailand to encourage employees to make good use of their free time by meditating to develop focus, consciousness and wisdom.
- **“Meditation for Raising Anapanasati among Modern Generation”** is a mediation activity for modern life style organized at Baanaree Foundation to encourage employees to apply the lessons learned in their daily life.

In addition, the Company also emphasizes conservation of Thai culture and traditions by organizing activities and encouraging employees to participate important religious events.

- **“Pruksa Merit Making to Fulfill our Hearts’ Desire”** was organized to allow employees to make good use of their free time by presenting Phansa Candles and offerings to mark the beginning of Buddhist Lent Day, including cleaning temples in remote areas.
- Traditional Songkran Festival was celebrated by allowing employees to wear Thai traditional costumes, including paying respect to the management by sprinkling water to ask for their blessings



Participation in Sustainability Network

Pruksa Real Estate supports sustainable development of society by collaborating with various networks whether it be government sector, private sector or community sector in carrying out activities that are beneficial to the overall community and society in hope to be a major driving force in initiating developments that will be beneficial to the society and every group of stakeholders.

At Pruksa, we recognize the significance of education and youth development and have therefore provided continuous supports under the defined CSR Policy. The Company also signed MOU to join force with ONESQA including government agencies, private organizations and foreign corporations in carrying out education development project called "One for Nine" to uplift standard of education quality of various academic institutions nationwide that has below "Excellent"

education standard. Under this project, one organization must give education development support or aid to nine schools. Pruksa took part in this project because we are well aware that education development for youth is an important foundation in driving the country forward.

Apart from our concerns in education and youth development, we also place great importance in environmental matters. Hence, in 2014, the Company joined force with the Department of Environment Bangkok to carry out "Green Community" campaign to educate community regarding proper ways to dispose waste and wastewater at the source, including how to sustainably prevent environmental pollutions with "Baan Pruksa 70Chalong Krung-Ladkrabang Industrial Estate being a pioneer project. Through this, the Company can give back to society and create sustainability while co-prospering alongside the community under CSR Policy.

In addition, the Company and its senior management have participated in other networks as follow :

Organization / Agency	Details
Thai Listed Companies Association.	Pruksa is listed as one of the members of CSR Club which collaboratively provide social service, share information, experience and knowledge in improving corporate CSR Policy.
Thai Condominium Association	Pruksa is a member of Thai Condominium Association and the Company's senior management becomes a board member of Thai Condominium Association
Thai Real Estate Association	Pruksa is a member of Thai Condominium Association and the Company's senior management becomes a board member of Thai Condominium Association
Housing Business Association	Pruksa is a member of Housing Business Association. A senior management of the Company is the secretary-general of Housing Business Association.
Thai Appraisal Foundation	A senior management of the Company is the vice chairman of Thai Appraisal Foundation.
Property Management Association of Thailand	A senior management of the Company is an honorary advisor of Property Management Association of Thailand.

Environmental Management



“ Passion ”
for Greener World



Environmental Management

Since Prukسا Real Estate mainly focuses on real estate business which requires extensive amount of resources both during construction and after construction not to mention environmental impact on the surrounding community, the Company therefore highly emphasize environmental concerns as well as how to minimize environmental impact by continuously carrying out environmental impact assessment and monitoring including incorporating innovations to prevent and eliminate environmental problems.

Environmental Policy and Management

Energy Saving and Green Investment

At Prukسا, we have a guideline for developing our products in reaching world class standard, including delivering the same quality standard residences and meeting the needs of our customers in mass customized manner by focusing on innovative production based on factory model. This means making precast construction products/materials as many as possible and then assemble them altogether on site, enabling easier quality control as well as reducing the use of labor and skilled labor. Operation network has been established between the Company and business allies including supplier, manufacture and distributor of construction materials as well as academic institutions to conduct research for product development and quality improvement to ensure standardized quality and continuous customer satisfaction. At Prukسا, we focus on using environmental-friendly materials and energy-saving to minimize global warming.

The Company has incessantly carried out construction innovation development by first applying Cast-Institute Load Bearing Wall Structure-Tunnel Technology in its townhouse projects since 1993. Later in 2004, RC Load Bearing Wall Prefabrication was applied in the construction of certain single-detached house and townhouse projects. The Company invested in the construction of Precast Concrete Factory in Lam Luk Ka District, Pathumthani Province covering a total area of 190 Rai. The project consists of five factories: the first manufactures Bearing Wall for house; the second manufactures Fence and Parapet and was later modified into Precast Bathroom Factory; the third manufactures Slab and Beam; the fourth manufactures Special Element, Townhouse Façade and Fence; and lastly the fifth is a Precast Factory for manufacturing standardized and premium quality Bearing Wall for house that completely runs on fully-automated carousel system which can provide highest production capacity and was known to be world's most advanced technology at that time. In 2014, the Company expanded its business by investing in the construction of two additional Prukسا Precast Factories in Khlong Nueng Sub-district, Khlong Luang District, Pathumthani Province, covering a total area of 130 Rai. Completely runs on fully automated carousel system, both new factories are Carousel Plants with highest production capacity in the world. Both manufacture precast steel-reinforced bearing wall and are the first Precast Green Factory of Thailand.

Water Management

Every residential projects run by Prukسا is installed with standardized wastewater treatment system for treating wastewater before letting into public waterways. Some projects even experiment using treated wastewater in watering plants grown within the project's common area, which is an alternative way to recycle used water.

Reduce Environmental Impact on Communities

Prukسا Precast Concrete Factory is not only equipped with modern automated machinery but also provides in-house production, allowing reduction in the amount of waste from construction as well as impact on the environment, nearby community and the health of workers. Since on-site concrete mixing is no long required, the surrounding environment including construction site are less polluted while the amount of construction period can also be shorten which helps to reduce air pollution as the amount of dust and smoke from trucks and machineries is lessen and noise pollution has become much limited.

Prevention and Reduction of Environmental Impact inside Pruksa Precast Concrete Factory

The company has invested in environmental pollution prevention and environment management in PCF by investing in the procurement of management system and machinery to prevent the impact caused by the operation from affecting the workers and environment inside the factory and outside. The details are as follows:



Dust Prevention and Elimination

The company installs dust collector, shuttering cleaner with dust collecting system, cleaning platter with dust collector system to prevent the airborne concrete dust caused during the construction process, which may affect inhaling system of the workers.

Table to show the progress in managing the impact on environment caused by dust

Machinery / System	Dust Prevention and Control Management				
	2010	2011	2012	2013	2014
Dust Collector	Installed dust collector, worth 500,000 Baht, at Cleaning Pallet Station to control concrete dust.	Always maintained the dust collector according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 3,000 Baht per year.	Constantly maintained the dust collector according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 3,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 3,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 3,000 Baht per year.
Shuttering cleaner with dust collecting system	Added the installation of shuttering cleaner with dust collector worth approximately 2.5 million Baht.	- Added the installation of shuttering cleaner with dust collector worth approximately 5.5 million Baht. - Always maintained the machine according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 50,000 Baht per year.	Always maintained the machinery according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 50,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 50,000 Baht per year.	- Added the installation of shuttering cleaner with dust collector worth approximately 3.6 million Baht. - Always maintained the machine according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 50,000 Baht per year.

Machinery / System	Dust Prevention and Control Management				
	2010	2011	2012	2013	2014
Cleaning pallet with dust collecting system	Installed pallet cleaner with vacuum cleaning system worth approximately 2.6 million Baht to reduce the impact from concrete dust.	Always maintained the machinery according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 3,000 Baht per year.	Always maintained the machinery according to the machinery maintenance plan to ensure good condition at all times. The maintenance cost was around 3,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 3,000 Baht per year.	- Installed pallet cleaner with vacuum cleaning system worth approximately 3.2 million Baht in the process Cleaning pallet. - the maintenance cost was around 3,000 Baht per year.

Note : PCF = Prukca Precast Factory



Prevention and Reduction of Noise Impact within Factory

The Company has installed Compacting Concrete to help control and minimize noise level at work which may impact the health of workers and nearby community.

Table to show the progress in managing the impact on environment caused by noise

Machinery / System	Noise Pollution Control Management				
	2010	2011	2012	2013	2014
Compacting concrete which reduces noise pollution	Installed compacting concrete machines at 3 stations which can reduce the noise pollution by almost 100 %. The combined value was approximately 8 million Baht.	- Installed compacting concrete machines at 2 stations which can reduce the noise pollution by almost 100%. The combined value was approximately 10.6 million Baht. - Always checked and maintained the machinery to ensure good conditions at all times with the maintenance cost of approximately 125,000 Baht per year.	Always checked and maintain the machine to ensure good conditions at all times with the maintenance cost of approximately 125,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 125,000 Baht per year.	- Installed compacting concrete machines at 4 stations which can reduce the noise pollution by almost 100%. The combined value was approximately 10.5 million Baht. - Always maintained the machinery accordingly, the maintenance cost was around 125,000 Baht per year.



Treatment of Leftover Waste from Production

The company has placed high awareness on environmental impact caused by waste and residues from the precast concrete production such as leftover oil slick on molding table. Therefore, the company uses an effective system or eco machinery to reduce the amount of waste and reduce the environmental impact from treating leftover oil or other waste outside the factory. Besides, the proper treatment is in compliance with the waste treatment regulations and requirements of the government.

Table to show the progress in managing the impact on environment caused by waste

Machinery/System	Waste Treatment Management				
	2010	2011	2012	2013	2014
Oiling machine for pallet surface			- Installed stream sprayer for pallet surface worth around 2 million Baht on pallets to reduce waste and prevent leftover oil from production. - Always checked and maintained the facilities according to the maintenance plan to ensure good condition with the maintenance cost of around 50,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 50,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 50,000 Baht per year.

Machinery/System	Waste Treatment Management				
	2010	2011	2012	2013	2014
Oiling machine for pallet surface and shuttering	Installed Oiling Machine for Pallet Surface and Shuttering worth around 2.3 million Baht to reduce waste and eliminate the leftover oil from production.	Always checked and maintained machinery to extend their usable life with the maintenance cost around 50,000 Baht per year.	Always checked and maintained machinery to extend their usable life with the maintenance cost around 50,000 Baht per year.	Always maintained the machinery accordingly, the maintenance cost was around 50,000 Baht per year.	- Installed Oiling Machine for Pallet Surface and Shuttering worth around 3.2 million Baht to reduce waste and eliminate the leftover oil from production. - Always maintained the machinery accordingly, the maintenance cost was around 50,000 Baht per year.
Oiling machine for pallet surface and shuttering					Installed Oiling Machine for Pallet Surface and Shuttering worth around 10 million Baht to reduce waste and eliminate the leftover oil from production.



Batching Plant for Wastewater Management

Water used in Precast Concrete Production tends to have high alkalinity level once it undergo through Mixer Batching Plant, making it highly toxic to the environment. Hence, sediment pond was built and Recycling Concrete was applied to allow recycling of treated water by reusing in the production process. Meanwhile, the filtered sediments can also be recycled by putting back into concrete mixture whereas residue removed from sediment pond can be used for land or road filling.

Table to show the progress in managing the impact on environment caused by waste water

System	Waste Water Treatment Management				
	2010	2011	2012	2013	2014
Sediment Pond	Built 3 sediments ponds worth around 2.5 million Baht	Always checked and maintained sediment ponds by spending around 3,000 Baht annually on maintenance cost.			
Recycling system					The Company invested 9 million Baht in the Recycling System.

Pruksa Precast Factory participated in the Annual Environmental Governance Project 2014 organized by the Ministry of Industry. The Company also passed good environmental governance inspection, guaranteeing that environmental governance has been successfully adopted and that the Company practices environmental-friendly precast concrete production.



Material Management

The Company has introduced the precast technology to elevate the construction efficiency in line with international standard by applying the German technology to produce parts at Pruksa Precast for residential construction. The process enables the Company to manage the material use effectively.

The Use of Reinforced Steel

Pruksa Precast Factory incorporated Automated Mesh Welding Plant and Automated Mesh Welding Plant with Automated Placing into its reinforced steel production at the newly established factories, allowing more accuracy, precision and complete precast product including waste reduction. The use of reinforced steel enables efficient utilization of construction material.

Cement Use

In producing steel-reinforced concrete annually, the production capacity varies according to the sales volume of residential projects each year. Cement is the main material in the production with the amount of utilized cement as follow :

Amount of used cement	2010	2011	2012	2013	2014
(Ton)	314,030.41	357,302.32	339,281.16	497,543.62	645,967
(m ³)	130,846.00	148,875.97	141,367.15	207,309.84	269,153

Note : 1 m³ = 2.4 ton

The use of high level of cement, the core material for Precast Concrete production, has caused excessive consumption of resources which can potentially lead to numerous environmental impacts. Hence, the Company minimized its use of cement into the concrete mixture while maintaining structural strength according to engineering principles. This idea which derived from the SGA Contest (an activity to promote new innovations from employees' initiative) for "Key Joint Size Reduction" has enabled adjustment in concrete mixture, resulting in cost reduction as the use of cement has been reduced by 35 kg/cubic meter.

Summary of Pruksa Precast Factory Environmental Impact Assessment

As a result of Pruksa Real Estate's determination to continuously administer the environmental consequences, the Company has summarized the key findings from the environmental quality assessment as follows :

Result of Air Quality Measurement at Workplace

Location	Total Dust : Unitmg/m ³					
	Standard Value	2010	2011*	2012	2013	2014
Precast Factory 1	15	0.57	N/A	0.109	0.761	0.105
Precast Factory 5	15	N/A	N/A	1.67	1.09	1.59

Note : Notification of the Ministry of Interior on Working Safety in Respect to Environmental Condition (Chemical) B.E. 2520.

*In 2011, air quality at PCF1 and PCF5 factories was not measured because of the flood.

Result of Noise Level Measurement at Workplace

Location	Noise Level Leq 8 Hrs : Unit dB(A)					
	Standard Value	2010	2011*	2012	2013	2014
Precast Factory 1	90	88.6	N/A	77.1	75.3	73.5
Precast Factory 5	90	N/A	N/A	71.7	74.3	72.2

Note: Notification of Ministry on Safety Measures, Occupational Health and Working Environment regarding Heat, Light and Noise B.E. 2549.

*In 2011, noise level at PCF1 and PCF5 was not measured because of the flood.

Reduction of Environmental Impact from Transportation

Transportation of construction materials is an essential part contributing to Pruksa business success. However, it may leave indirect impact on the environment. For this reason, the Company therefore reduced the size and weight of Transport Rack by limiting the amount of material transported to increase the volume of containers per trip in order to minimize the number of trips. This concept which derived from corporate collaboration-focused culture does not only enable gas consumption reduction but also transportation cost reduction by as much as 2.64 million Baht, marking a good start for the Company's initiative in minimizing potential environmental impact due to transportation and logistics within the organization.

Transport comparison: before and after the initiative

Action	No. of transport (trip)/year	Transport cost (million Baht)
Before	6,288	23.89
After	5,592	21.25
Saved Expense	696	2.64

Note : For an increase of container per trip, the total weight is 16 tons which is under 25 tons or the standard required by the law.

Technology Roadmap

The application of appropriate technology results in an increase of competitive capacity for the business. Since Precast Concrete Construction has driven the growth of the company to become an industrial leader, the company has realized the importance of this challenge. Therefore, the company has developed Technology Roadmap technology which also serves as the medium to exchange the knowledge and technology among the divisions. The company has gathered the information and analyzed the existing and potential technology in order to choose, assess and determine the suitable technology to respond to the business demand as follows :

1. Process Technology : developing the process technology in production on a continuous basis including the following:
 - Tunnel Form System Technology
 - Precast Concrete System Technology
 - Real Estate Manufacturing Technology (REM)
 - Building Information Modeling Technology
 - Technology, under research & development process, to improve the precast systems such as Precast Knock-Down System, Prefab Bathroom System and Light Weighted Concrete

2. Product Technology : product technology development to innovate creative products to respond to the demands of the consumers in the near future in following areas:

- Green Revolution, which includes energy saving technologies and environmental friendly.
- Respond to the specifications of all demographic groups. Including elder house designed to.
- Technology to enhance living comfort and captivate digital lifestyle such as electric control house using cell phone to switch on and off the power.
- Safety concern technology to increase safety in life and property such as safety concern alarm to reduce the accident from falling from high place.

Environmental Protection and Reduction of Impact from the Construction of Residential Project

Pruksa Real Estate Public Company Limited is fully aware of environmental impact due to the construction of its residential projects. Hence, Environmental Impact Analysis Report has been prepared (according to the Notification of the Ministry of Science and Technology Re: The Regulation of Types and Specifications of Projects or Business of Public Service, State or Private Enterprise that must be reported in EIA) to analyze and assess the impact as well as prescribing measures to prevent and minimize environmental impact surrounding project sites. The Company has produced the report to analyze environmental impact of residential projects by categorizing into three stages including prior to construction, during construction period, and project implementation period.

The Company analyze impact surrounding project sites, including monitoring and conducting environmental quality inspection, carrying out assessment and evaluation, preparing inspection report and report of corporate compliance with measures for environmental prevention and corrective actions to be submitted to relevant government agencies including Office of Natural Resources and Environmental Policy, Provincial Natural Resources and Environment Office and Local Government Organization. Such report is prepared during three stages and covers environmental elements and values as follow:

- Physical Environment : air quality, air pollution, noise, vibration, erosion, and water quality.
- Biological Environment : wastewater treatment system.
- Human Use Values : soiled water, wastewater, drainage system, flood protection, waste treatment, power system, fire protection.
- Quality of Life Value : health impact, social impact, occupational health and safety impact.

In 2014, a total of 13 residential projects were construction in accordance to the defined preventive and corrective measures for environmental impact reduction as follow:

- Townhouse Projects : Baan Pruksa (Bunsamphan-Pattaya) and Pruksa Ville 59/2 (Kratu-Patong)
- Singled-Detached House Projects : The Plant Kratu-Patong and The Palm Phuket
- Condominium Projects : The Signature by Urbano, Chapter One : The Campus Lad Prao 1, The Tree Rio @ Bang-Aor Station, Fuse Miti Sutthisan-Ratchada, Plum Condo Phaholyothin 89, Plum Condo Samakkee, Plum Condo Bang Yai Station, Plum Condo Laem Chabang and Plum Condo Extra Rama 2.

Below is an example of a construction project which carried out the defined preventive and corrective measures. Major preventive and corrective measures applied can be summarized as follow:

Chapter One : The Campus Lad Prao 1 Project

Environmental Impact	Preventive and Corrective Measures	Environmental Quality Monitor & Inspection
Physical Environment		
1. Dust and Air Pollution	- Put up 3-meter high thick fences surrounding the project site and hang up canvas another 3 meters high to properly barricade the construction site. - Put up canvas from bottommost level to topmost level around the building to prevent dust. - Set up a speed limit for vehicles used for transporting construction materials. - Cover trucks used for carrying soil, construction material, rock and sand with canvas. - Dampen the project site and surrounding area twice a day with water to prevent dust dispersion. - Clean truck wheels before exiting the project site. - Assign cleaners to clean dirt and sand left in front of project site as well as the surrounding areas.	- Set up a team of staffs for organizing regular meetings with nearby residents throughout the construction period, including providing direct contact numbers for 24-hour contact and installing comment/suggestion box at the security booth for receiving complaints. - Carry out TSP and PM10 Inspection within the project site whenever there is an on-going foundation construction, including preparing weekly inspection report and carrying out inspection once a month throughout the construction period. - Produce performance report in accordance to the defined preventive and corrective measures every six months period.
2. Noise	- Put up 3-meter high thick fences surrounding the project site and hang up canvas another 3 meters high which helped to reduce noise level by 18 decibels. - Construct foundation using bore piles. - Carry out construction activities which may cause noise only on the date and timing specified by law. - Set up steel frames surrounding the building and seal gap between each level with canvas to prevent noise impact. - Allocate a space specifically for carrying out construction activities which may cause noise impact either in a confined area or as far away from residential area as much as possible. - Provide competent contractors, including ensuring that construction companies strictly comply with the measures specified in the approved Environmental Impact Assessment (EIA).	- Set up a team of staffs for organizing regular meetings with nearby residents throughout the construction period, including providing direct contact numbers for 24-hour contact and installing comment/suggestion box at the security booth for receiving complaints. - Carry out noise level inspection within the construction site daily during the on-going bore pile construction, including preparing inspection report and carrying out inspection once a month throughout the construction period.

Environmental Impact	Preventive and Corrective Measures	Environmental Quality Monitor & Inspection
3. Water Quality	1. Provide sufficient toilets for construction workers. 2. Provide Aerated Lagoon for treating wastewater before discharging into public waterways. 3. Provide vacuum truck for removing excessive sediments when become full.	1. Carry out regular toilet inspection to prevent leakage. 2. Carry out inspection of treated wastewater once a month throughout the construction period.
Biological Environment		
Biological Environment	No major biological resources were found within the project site or the surrounding areas.	Strictly carry out operation in compliance with the defined preventive and corrective measures for biological environmental impact reduction.
Human Use Values		
1. Drainage and Flood Prevention	1. Install drainage system throughout the construction site. 2. Constantly remove accumulated residue in waste and sediment trap.	Check the amount of accumulated sediments in cesspool and regularly remove sediments every month.
2. Waste Treatment	1. Provide waste bins throughout the project site and assign staffs for collecting wastes at each designated disposal point. 2. Do not dispose wastes in public area or where it may impact nearby residents.	1. Carry out inspection of waste storage once a month throughout the construction period. 2. Check the condition of waste bins once a month to prevent insects and pests.
3. Fire Protection	1. Install sufficient number of fire extinguishers. 2. Provide instruction signs for every fire extinguisher installed. 3. Provide training and practice evacuation drill during fire emergency.	Carry out regular inspection of fire protection system and fire alarm system to ensure they are properly functioning.
Value on Quality of Life		
Social Impact	1. Construction workers are not permitted to stay on the construction site. 2. Post up a sign in front of workers' accommodation stating the name of the Contractor's Company, Foreman and contact numbers.	Set up a team of staffs for organizing regular meetings with nearby residents throughout the construction period, including providing direct contact numbers for 24-hour contact and installing comment/suggestion box at the security booth for receiving complaints.

Environmental Expenditure and Investment

In 2014, the Company spent its budget (investment budget and other expenses) on the construction of Prukso Precast Factory, totaling 2,300 million Baht which exceeded its previously year budget expenditure of 1,600 million Baht due to the construction of the two additional factories. Both new Precast Factories are the first Green Factories in Thailand. Here, Concrete Recycling Technology is applied for recycling treated wastewater and leftover concrete from the production process. In addition, sand and rock sediments are filtered and removed to be reused in the production once again, eliminating unnecessary waste of materials. Meanwhile, existing factories have been renovated to elevate the production capacity and enhance production system so that it is more advance, energy-saving and produce only minimal environment impact.



Labor Practices and Human Rights



“ Passion ”
for Building Great
Workplace



Labor Practices and Human Rights

Employee Management

The most essential factor in driving rapid business growth and continuous success is having sufficient number of knowledgeable and competent employees. At Pruksa, we do not only perform workforce planning but also review and adjust the number of workforce every quarter to suit the real demand.

Employee Information

Number of Employees (person) Categorized by Corporate Levels (Y2014)

Unit : Persons

Level	Male	Female
Management Level 6- 8	19	4
Management Level 4 - 5	280	122
Operational Level 1-3	1,651	1,316
Staff	471	374

Number of Employees in Each Category, Categorized by Gender, Age and Employment Contract

Unit : Persons

Diversity benchmark		No. of personnel in each category*			(total)
		Staff members (total)	Commissioned workers (total)	Contractors (total)	
gender	Male	1,950	471	-	2,421
	Female	1,442	374	-	1,816
race	Thai	3,392	845	-	4,237
	Myanmar	-	-	2,910	2,910
	Cambodian	-	-	6,790	6,790
Employment contract	Full-Time Workers (8 hours)	3,392	845	-	4,237
	Part-Time Workers	-	-	-	-

Number of Employees (person) Categorized by Gender and Employment Contract

Unit : Persons

Year	Gender	Permanent Employee	Temporary Employee
2010	Male	2,247	4
	Female	1,497	-
2011	Male	2,466	6
	Female	1,667	1
2012	Male	2,237	13
	Female	1,637	6
2013	Male	2,517	19
	Female	1,896	-
2014	Male	2,421	16
	Female	1,816	16

Number of Employees (person) Categorized by Employment Contract

Unit : Persons

Year	Gender	Full-time	Part-time
2010	Male	2,251	-
	Female	1,497	-
2011	Male	2,472	-
	Female	1,668	-
2012	Male	2,250	-
	Female	1,643	-
2013	Male	2,517	19
	Female	1,896	-
2014	Male	2,437	-
	Female	1,832	-

Number of Employees (person) Categorized by Work Premises

Unit : Persons

Year	Gender	Head Office	Precast Factory	Construction Site
2010	Male	391	407	1,330
	Female	417	192	872
2011	Male	445	611	1,218
	Female	490	320	844
2012	Male	513	442	1,209
	Female	527	207	897
2013	Male	773	430	1,333
	Female	845	206	845
2014	Male	583	372	1,482
	Female	719	159	954

Number of New Employees Divided by Gender

Unit : Persons

Year	Gender	Number (person)	Percent
2010	Male	1,225	59.26%
	Female	842	40.74%
2011	Male	1,760	61.47%
	Female	1,103	38.53%
2012	Male	1,197	59.38%
	Female	819	40.62%
2013	Male	863	59.85%
	Female	579	40.15%
2014	Male	378	61.97%
	Female	232	38.03%

Number of New Employees Categorized by Age

Number of New Employees Categorized by Age	2010		2011		2012		2013		2014	
	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent
< 30 years old	239	30.56%	929	44.94%	1,469	51.31%	1,056	52.38%	322	52.79%
30 – 50 years old	498	63.68%	1,092	52.83%	1,307	45.65%	893	44.30%	258	42.30%
> 50 years old	45	5.75%	46	2.23%	87	3.04%	67	3.32%	30	4.92%

Number of new employees categorized by work premises

Number of New Employees categorized by work premises	2010		2011		2012		2013		2014	
	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent
Head Office	170	21.74%	457	22.11%	486	16.98%	535	26.54%	99	16.23%
Construction Site	492	62.92%	1,113	53.85%	1,213	42.37%	1,233	61.16%	458	75.08%
Precast Factory	87	11.13%	396	19.16%	1,031	36.01%	241	11.95%	53	8.69%

Number of Employees who no Longer Work for the Company, Divided by Gender

Year	Gender	Number (person)	Percent
2010	Male	428	59.78%
	Female	288	40.22%
2011	Male	1,562	62.83%
	Female	924	37.17%
2012	Male	407	62.62%
	Female	243	37.38%
2013	Male	317	63.91%
	Female	179	36.09%
2014	Male	163	61.51%
	Female	102	38.49%

Number of Employees who no Longer Work for the Company, Categorized by Age

Number of Employees who no Longer Work for the Company, Categorized by Age	2010		2011		2012		2013		2014	
	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent
< 30 years old	346	32.77	303	42.32	1,158	46.58	373	57.38	141	53.21
30 – 50 years old	631	59.75	387	54.05	1,237	49.76	260	40.00	119	44.91
> 50 years old	79	7.48	26	3.63	91	3.66	17	2.62	5	1.89

Number of Employees who no Longer Work for the Company, Categorized by Work Premises

Number of Employees who no Longer Work for the Company, Categorized by Work Premises	2010		2011		2012		2013		2014	
	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent	Number (person)	Percent
Head Office	55	5.21	111	15.50	395	15.89	110	16.92	15	5.66
Construction Site	723	68.47	459	64.11	1,261	50.72	442	68.00	232	87.55
Precast Factory	263	24.91	137	19.13	696	28.00	96	14.77	18	6.79

Employee Combination, Categories by Corporate Levels, Gender and Age

Employee Combination, Categories by Corporate Levels, Gender and Age	Employee in the Managerial Level (Band 6-8)	Employee in the Managerial Level (Band 4-5)	Employee in the Operational Level (Band 1-3)	Employee in the Operational Level (daily)
Male	19	280	1,651	471
Female	4	122	1,316	374
Younger than 30 years old	-	1	968	255
30-50 years old	9	361	1,911	451
Older than 50 years old	14	40	88	139

Remark : The age range reported according to the framework GRI.

Number of Employees who Return to Work and Persistence Rate of Personnel after the Carer Entitled to Child Support, Divided by Gender

Type of Leave	Male	Female
• Number of employees entitled to take an absence to care for their children, divided by gender	-	1,816
• Number of employees who exercise the right to take an absence to care for their children, divided by gender	-	77
• Number of employees who return to work after taking the leave to care for their children	-	62
• Number of employees who return to work after the end of leave to care for their children and continue working for one year.	-	62
• The return rate and retention of employees who return to work after the end of the leave.	-	80 percent

Integrate Human Rights into Management

Human Right Guidelines

The Company's employment policy is prescribed Article 4.5, "The Company will adhere to the ethical standards in recruiting and hiring without prejudice regardless of race, religion, color or gender. The Company will consider the suitability of the duties and responsibilities on the case by case basis." In addition, Article 4.7 has stated, "The Company does not approve the employment if the immediate supervisor and the subordinate are related through kinship or they are family members." Therefore, everyone has an equal opportunity to be an employee of Pruksa Real Estate because the selection is based on the nature of the position and qualifications of applicants. In addition, the Company has followed the law on disability employment by cooperating with the government agencies and disability associations to support the disability employment. In 2013, although Pruksa Real Estate did not hire people with disability, the Company donated Bt4,818,000 to Empowerment of Persons with Disabilities Fund 2013 to support the campaign to protect and develop the quality of life of people with disabilities.

Look After Employee's Well Being

Remuneration and Welfare Benefit Management

The company prescribes the remuneration policy to create the work incentives for the employees to achieve their professional objectives. The Company uses BSC (Balance Scorecard) and KPI (Key Performance Indicator) to evaluate the employee's performance to determine the return payment according to individual performance and other benefits in various forms. The payment system aims to create bonding in the organization, regardless of gender. The payment rate between male and female worker is 1:1, including pay rise, bonus twice a year, rewards based on individual performance and commission fees, etc.

On February 21, 2003, the Company registered to set up Provident Fund managed by SCB Asset Management. In 2014, the Company contributed 5-10 percent at minimum (based on employment period of the members) or a total of 103,273,926.00 Baht to the Provident Fund and has corporate welfare fund totaling 103,273,926.00 Baht which sufficiently covers all entitled employees. In 2014, 2,942 employees from a total of 3,452 eligible employees, or 85.22 percent, become members of the Provident Fund.

Contribution Percentage Rate		
Employment Period	Employee*	Company
4 Months - 3 years	5%	5%
3 - 5 years	6%	6%
5 - 7 years	7%	7%
7 - 10 years	8%	8%
10 years and higher	10%	10%

Furthermore, Pruksa Real Estate also provides staff welfare and benefits for employees and their family members from the first day of work. Employees of the same ranking (categorized according to Band) will be given equitable welfare regardless of gender, race, age or religion. The welfare and benefits provided include life insurance and health insurance which covers medical expenses and family members (spouse and two children). In 2014, employee's benefits (categorized according to Band) have also been raised and insurance protection coverage has been expanded by including daily life insurance for employees as well as employees' uniform, financial aid in case of death, Provident Fund, financial aid for public utilities, and scholarship for the children of employees.

Benefits of employees' life insurance and health insurance

Out-patient Benefits : OPD

Benefits	Band 1	Band 2	Band 3	Band 4-5	Band 6 up
Visit per day (Baht)	1,000	1,200	1,500	1,800	2,000

In-patient Benefits : : IPD

Benefits	Band 1	Band 2	Band 3	Band 4-5	Band 6 up
Room & Board	1,200	1,800	2,500	3,500	4,500
I.C.U. & Board	2,400	3,600	5,000	7,000	9,000
Hospital Expenses	15,000	20,000	30,000	40,000	50,000
Doctor Visit Fee	400	600	800	1,200	1,500
Surgical Fee	15,000	18,000	23,000	40,000	50,000
Specialist Consultation Fee	1,500	1,800	2,300	4,000	5,000
Emergency OPD Treatment	1,500	1,800	2,300	4,000	5,000

Employee Development Policy

Pruksa Real Estate Public Company Limited has a guideline to develop competency of employees to ensure that every employee is ready to perform their duty in the most efficient and complete manner. The Company also established a career progress guideline, allowing each employee to fully exercise their capabilities in delivering quality to both internal and external customers. In addition, the skills and knowledge each employee gained will be permanently owned and can be applied in future career opportunities or even after retirement. At Pruksa, we established Human Capital Division to specifically oversee employee matters because we realized that employees are the most worthwhile asset for investment and that Pruksa cannot step forth as the number one brand in the customers' mind by simply depending on its CEO or the management but also require every Pruksa employee.

Development methods applied varies largely to suite each development needs.

1. Defining Pruksa vision, mission, culture, value, and leadership competency as a standard conduct guideline for the entire organization.
2. Recruit and select employees through Competency Based Interview to gain candidates who meet the defined Pruksa culture, value and leadership competency because we believe that competent employees are the main driving force of Pruksa success for over 20 years.
3. Set up training programs according to the prepared annual training plan. Each training session should provide both theoretical and practical lessons. Also, coaching should be systematically carried out by managers whereas Mentor Program should be provided for new recruits. In addition, the development practiced should involve giving assignments to employees to enable real life practice and clear operation policy should be defined. All of which is to assist managers and employees in achieving appropriate development plan together.
4. Implement Talent & Succession Planning by defining the required talent by managers and Human Capital in order to identify highly talented personnel. The selection shall be based on performance level and personal characteristics in terms of management capability and operation skills. Vacancy replacement planning should also be carried out for executive positions or higher (Department, Division, SBU/BU) by identifying talent and successor, including considering business needs by conducting analysis on corporate long-term strategic goals.
5. At Pruksa, we continuously enhance our employees' capabilities by clearing informing each employee of their career path so that each will know what next position to be expected in their professional field, including determining knowledge, skills and KPIs of the next career position so that each employee can establish their career planning together with their manager and defining Work & Development Plan to assist employees in reaching their career goal.
6. The Company regularly carries out Employee Engagement Survey once a year. The surveys results shall be used in determining operation plan for strengthening bonds between employees and the Company through activities and operation plans that must be continuously carried out. Such results will also be included in the KPIs of management level.

Employee Training and Capacity Development

In 2014, the Company spent 15 million Baht in human resource development. Human Capital Division organized 442 In-House Training classes, including sending employees to attend 66 Public Training courses, or 42 courses per month (totaling 508 courses for the entire year), covering employees of all professional fields. Meanwhile, an average score of employee satisfaction for In-House Training is at 89.45%.

The average training hours of each individual employee in 2014 is 15 hours per person per year. In 2014, the Company has developed the capacity of employees by concentrating more on hands-on practices.

The prepared training courses can be categorized into five main categories as follow:

1. On boarding program
2. Foundation
3. Career Group
4. Quality & Safety
5. Leadership
6. Elective

Employee Training Information	2014
• Number of average training hours (hour/person/year)	15
Number of Average Training Hours, Divided by Gender (hour/person/year)	
• Female	16
• Male	14
Number of Average Training Hours Based on the Employee Level (hour/person/year)	
Operational Level	15
Junior Management	13
Middle Management	16
Senior Management	20

The Company also set up Human Rights Training Course for every new employee who started working from 1 January – 31 Decemebr 2014, totaling 427 persons, or 25% of the total number of 3,396 employees.

No. of Average Training Hours of Human Rights Course (hour/person/year)

No. of Average Training Hours of Human Rights Course (hour/person/year)	
• Female	0.25
• Male	0.40



Employee Evaluation

The Company has the system to manage the performance results to encourage the employees to work effectively and efficiently to support the Company's ultimate goal to create customer satisfaction and best impression. The Company applies Balanced Scorecard Principle to set the goals to achieve the managerial balance among various fields namely finances, customer satisfaction, process improvement, employee development, innovation of products and services and managerial innovations. The Company's goal is achieved by the concerted effort of the employees at all levels based on KPI mechanism

Key Performance Indicator (KPIs) was jointly determined by the employees and their managers based on Balanced Score Card, covering four aspects including finance, customer, internal process, learning and growth which comprises of Strategic KPIs, Operational KPIs, and Project Level KPIs. This is to ensure each employee's performance met the determined strategic goals and fulfilled the assigned role and duty based on their position. Constant KPI success monitoring and inspection has been carried out. Strategic KPIs is prepared in a form of Executive Dash Board to allow weekly and monthly monitoring of TMC performance to ensure that organization goals are constantly updated and suited the current business condition of the Company. Meanwhile, Personnel KPIs Review and Operation Performance Evaluation on Personnel Level are carried out twice a year to ensure consistency and further meeting organizational goals.

To give incentives, the Company provides Reward & Recognition Program to encourage employees to deliver work excellence and constant self-development. Meanwhile, Compensation & Benefit Program, which covers Quarterly Incentive, Bonus (every six months) and Long-term Incentive, was designed to encourage employees to commit to their work and constantly enhance their performance. In addition, the information from evaluation will be used in managing other aspects of human resources such as promotion, fair payment adjustment and employee development, etc. The Company will inform the employee at least 6 month in advance to make them prepare for an anticipated change, reducing work obstacles and resistance.

World-class Occupational Health and Safety

Safety, Occupational Health and Workplace Environment Policy

Pruksa Real Estate places great concern in life and health and therefore determines to promote employee safety to prevent accidents, injuries, and sickness whilst at work, including mitigating potential dangers relating to the Company's business operation by defining Safety, Occupational Health and Environmental Policy to be followed as an operation guideline for employees. The policy has been informed to employees at all levels as follows:

- The Company considers safety at workplace as topmost priority for employees at all levels. Each employee must comply with the defined regulations to ensure their personal safety and the safety of others, including the properties of the Company throughout operation. Most importantly, every employee must strictly follow relevant laws and regulations. Each employee also has the rights to express opinions regarding improvement of working environment and work procedure for safety purpose.
- The Company supports the development and improvement of working environment and work procedure to ensure safety at work, including the use harmful equipment in correct and proper manner as well as continuous maintenance of good occupational health among employees.
- The Company supports any safety-related activities that may help raise safety awareness among employees such as training, motivation and promoting regarding safety issues.
- Every management level must set good example, be a good leader, including coaching, motivating, and overseeing that all employees follow operation safety practice and strictly comply with the defined safety rules and regulations.
- The Company follows and reviews occupational health and safety for continuous improvement.

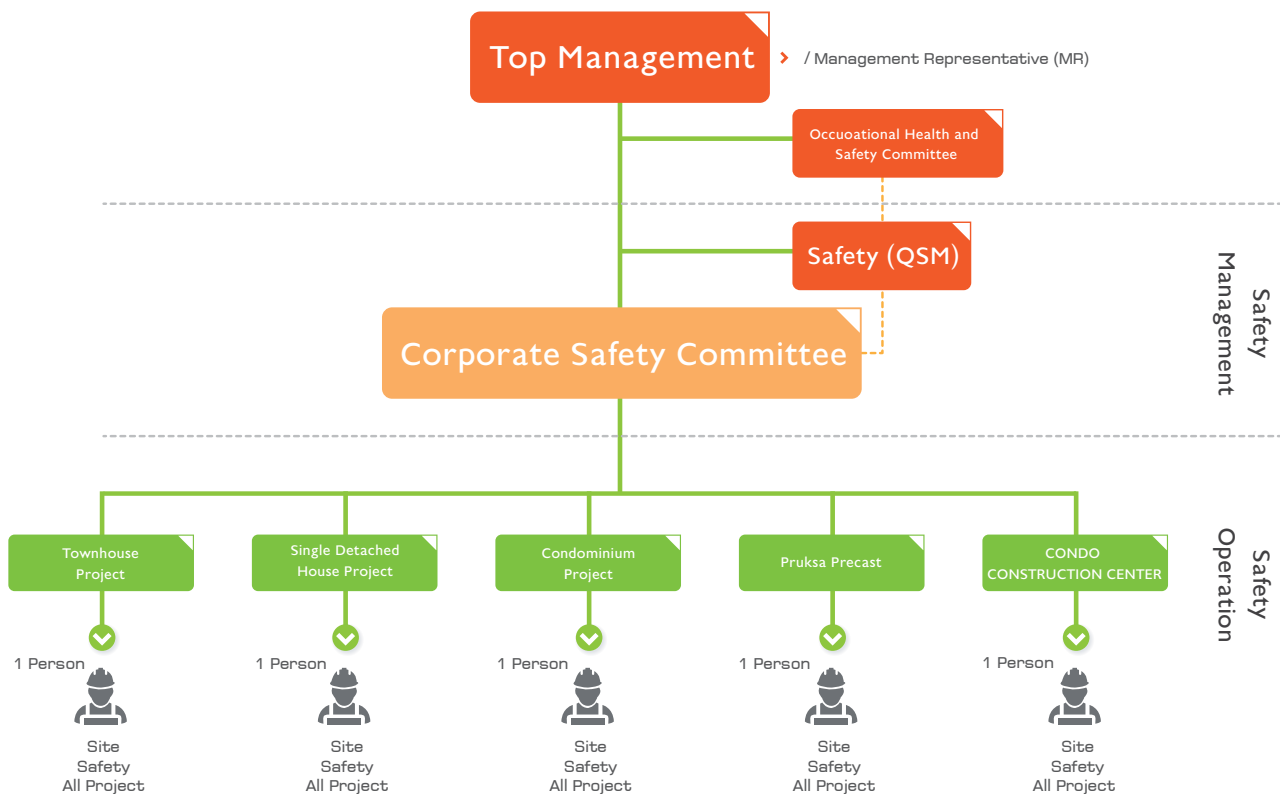
Having continuously and strictly followed international safety standard by incorporating Occupational Health and Safety Management System in the construction of every townhouse project, single-detached house project and condominium project to raise occupational health and safety awareness among employees, Pruksa Real Estate has been accredited by OHSAS 18001:2007 standard and Thailand's Industrial Standard 18001:2554. Such management system is expected to be applied in Pruksa Precast in 2016.

Occupational Health and Safety Implementation

- The Company carries out risk assessment in every activity to control and prevent potential risks which may result in injury, sickness and affect the mental health of employees.
- The Company organizes meetings with nearby communities to build good attitude and provide supports.
- The Company carries out inspection of machinery and equipments to ensure life and property safety.
- The Company communicates its occupational health and safety related matters to employees and relevant parties and through various channels of communication including SMS, E-Mail, Notice Board, Safety Talk and Road Show Activity.
- Training programs are provided to educate employees regarding proper operational practice, including how to correctly put on personal protective equipments from the beginning of operation. The Company also carries out constant review of operation safety procedure.
- Emergency drill practices are carried out to prepare employees in handling emergency situations and develop clear understanding regarding emergency protocol which covers from emergency procedure, emergency report, coordination as well as the roles and responsibility of each employee.

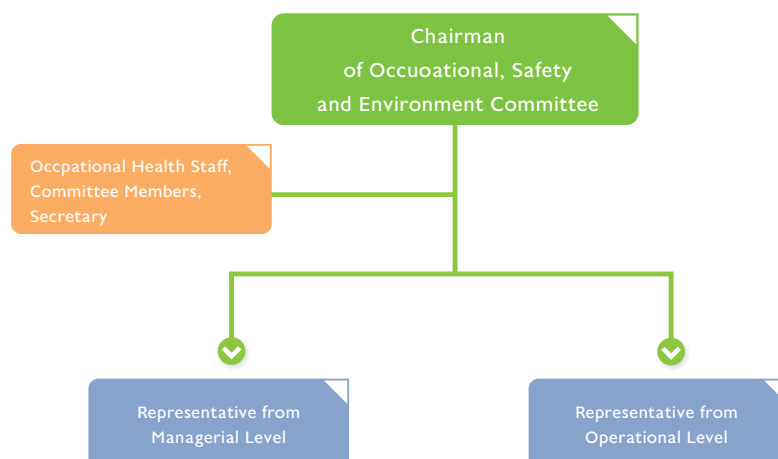
- The Company carries out employees' performance to ensure they are consistent with the defined standard. Any employees failed to comply must face disciplinary actions.
- Incident Investigation is always carried out after occurrence of incident to find the root cause of the problem. The Company also prepares preventive measures to avoid reoccurrence.
- Management procedure is constantly reviewed by high ranking executives to ensure the implemented Occupational Health and Safety Management System is appropriate, adequate and effective.

Occupational Health and Safety Management Structure



Occupational Health and Safety Management Structure comprises of Top Management which is responsible for defining occupational health and safety policy and operational plan.

Occupational Health, Safety and Environment Committee



Furthermore, to ensure that safety, occupational health and workplace environment are efficiently managed, Occupational Health, Safety and Workplace Environment Committee was set up to be stationed at the Head Office. Committee members shall either be appointed (Management Level) or elected by members within the organization (Operational Level). The roles and responsibility of Occupational Health, Safety and Workplace Environment Committee are as follows:

1. Consider the policy and plan to ensure safety whilst at work and outside workplace to prevent and reduce accident, sickness and any other disturbances from work-related causes or occupational hazard and present the policy and plan to the management.
2. Report and suggest measures or guidelines of operational improvement or rectification in compliance with relevant occupational health and safety laws and regulations to the management to ensure safety of employees, contractors and external parties entering the premise to perform duty or use the service.
3. Support occupational health and safety activities organized by the Company.
4. Consider occupational health and safety regulations, manuals and standard to be presented to the management.
5. Survey the performance of occupational health and safety effort and review statistics of accidents occurred at least once a month.
6. Consider occupational health and safety drill project or training plan to provide occupational health and safety training or training on safety-related roles and responsibility of employees and staff members at all levels and express opinions to the management.
7. Establish occupational hazard reporting system which employees at all levels are required to follow.
8. Follow up the progress of issues presented to the management.
9. Present to the management the annual performance report, including identifying problems, obstacles and recommendations regarding the committee's operation after their completion of one year in office.
10. Evaluate occupational health and safety performance of the Company.
11. Perform other related assignments as instructed by the management.

Safety Management

Safety Management is responsible for defining strategy, operational plan and operational procedure relating to occupational health and safety including work accident summary and inspection and reporting the information to Top Management and Occupational Health and Safety Committee.

Corporate Safety Committee

Corporate Safety Committee is responsible for overseeing safety matters, including providing reports to Occupational Health and Safety Committee (OHSC). Their role and responsibility are as follows:

- Establish risk prevention plans and oversee continuous implementation of the defined plan.
- Provide suggestions regarding accident/incident prevention and minimize risks within the organization.
- Produce handbooks and set up operational safety standard to be applied among employees and relevant parties.

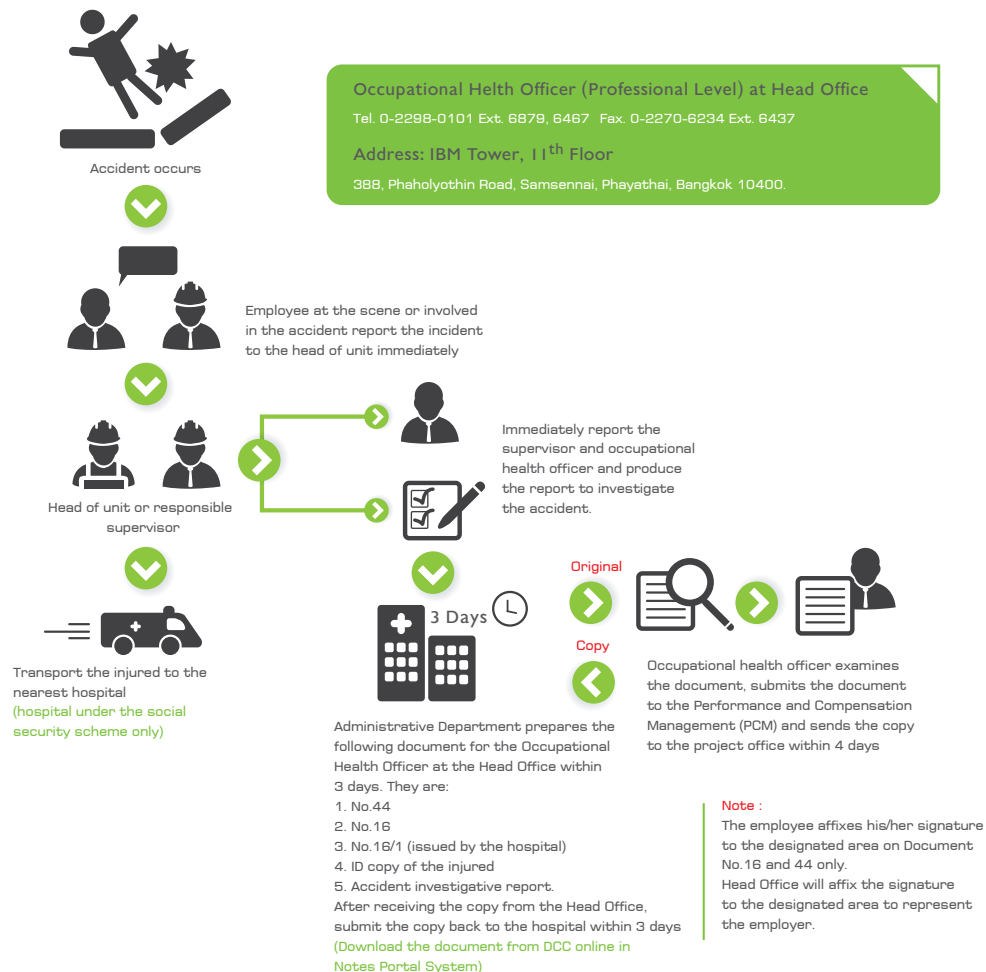
- Determine appropriate personal protective equipments based on each type of risk and present it to the management to be provided for employees during duty.
- Provide academic and operational support to various divisions to prevent work-related injury or sickness, including supporting fire protection and critical accidents prevention operations.
- Organize training programs relating to basic operational safety knowledge and practice for new employees prior to operation, including employees who are required to perform different tasks which may lead to potential harm or injury.
- Coordinate with internal and external organizations as well as relevant government agencies regarding implementation of operational safety.
- Assess the overall operational safety management system of the Company.
- Collect performance record of safety personnel in all levels, including monitoring operational safety performance of the staffs to ensure compliance with the defined policy and plan, and submitting performance report to the employer and Occupational Health and Safety Committee every three months.

Safety Operation

Safety Operation is responsible for overseeing occupational health and safety within the organization by implementing occupational health policy, plan and procedure, including carrying out inspection of assigned projects and providing reports to Corporate Safety Committee as well as the management of each project.

Occupational Health, Safety and Environment Implementation

Procedure to respond to an accident in the project Premises



Training Programs for Raising Occupational Health and Safety Awareness

To ensure that every employee and relevant party have complete understanding regarding occupational health and safety, the Company therefore organized seven occupational health and safety training programs in 2014 as follows:

1. General construction work safety and technique for identifying and evaluating risks caused by construction work.
2. Safety officer (Supervisory Level)
3. Safety officer (Management Level)
4. Safety officer (Technical Level)
5. Occupational Health and Safety Committee
6. Work in confined area for authorized persons, controllers, rescuers and staffs.
7. Basic training on fire extinguishing.

Occupational Disease Prevention

Having placed high importance in ensuring good occupational health among employees, the Company therefore provided a professional medical team by bringing doctors from leading hospitals to provide Annual Medical Checkup for employees in all levels to ensure good occupational health. Also, prevention of occupational disease and work-related injury are also prioritized as the core policy on employees' care. Hence, the following measures were defined to appropriately cover every working condition of employees such as:

- For employees working in construction site or factory which are more likely to be exposed to dust, noise and at risk of developing respiratory diseases, the Company provides medical check prior to operation, including protective masks for dust protection and basic first aid kit.
- For employees who provide service to customers and are likely to develop work-related stress, the Company initiated a project called "Clinic for Creating Happiness" by arranging for a team of professional doctors to give counseling service and advice on mind rehabilitation to ensure that all employees are ready to perform their duty.

Fire Prevention Program

Fire Safety in Office Building and Project

1. Fire extinguisher should be made available at every 20 square meters and installed at easily accessible location for immediate use in the event of emergency. Also, the fire extinguishers used must all be CFC-free.
2. Emergency lighting system and Emergency Exit Sign must be provided.
3. Extra flashlight must be made available at every Emergency Exit point.
4. Safety Sign must be sufficiently provided.

5. Appropriate Fire Exit must be provided to enable immediate evacuation during fire emergency.
6. If possible, install automatic fire/smoke alarm in every room.
7. Provide proper type of fire extinguisher in chemical and/or fuel storage area. Each fire extinguisher must be in proper condition and ready for use.
8. Display No-Smoking/Flammable Sign in chemical/fuel storage area.
9. Power cables used in office building and fuel storage area must be insulated cables to conform to the international standard.
10. Regular inspection of emergency equipments must be carried out.
11. Assign evacuation staff at each designated point in the event of emergency.
12. Provide monthly basic fire fighting training program to ensure all employees are well aware of the correct and proper ways to operate the equipment.
13. Organize emergency drill as well as first aid practice and emergency evacuation drill every year.

Annual accident records were included in major development plans to pave way for accomplishing Zero Accident to improve the quality of life of employees at workplace which has always remained as the Company's top priority and concern.

The Company has been approved for compliance with world-class standard occupational health and safety management system.



Safety Standard for Goods Transportation

At Pruksa Precast Factory, we have an effective transport and delivery system to ensure safe delivery of precast concrete products to the construction site as follows:

1. Provide transport rack to contain the products according to the shape of the precast sheet so that the products will not be dropped during transport.



Transport Rack Wall



Transport Rack Beam



Transport Rack Bathroom Pod

2. Inspect the rack holding and latching with the transport vehicle to ensure safety delivery



3. Inspect the condition of the transport vehicle and readiness of the driver.



4. Provide for a parking space inside the factory for transport trucks to park before delivery in the morning. Transport trucks will not block the traffic, reducing road accidents.



5. Survey the route before transporting to clear any obstacles that may lead to any danger such as electric wires and signal wires. Consider and choose safety routes to avoid conflicts with local communities.



Work Accident Statistic Summary from 2011-2014

Detail	Gender	2011	2012	2013	2014
Head Office					
Injured Rate (IR) (%)	Male	0	0	0	0
	Female	0	0.12	0.053	0
Occupational Disease Rate (ODR) (%)	Male	0	0	0	0
	Female	0	0	0	0
Leave Day Rate (LDR) (%)	Male	0	0	0	0
	Female	0	0.12	0.213	0
Absentee Rate (AR) (Number of hours per year)	Male	0	0	0	0
	Female	0	1,612.90	2,272.73	0
Construction Work					
Injured Rate (IR) (%)	Male	0.15	0.07	0.465	0.421
	Female	0.04	0.01	0.058	0.030
Occupational Disease Rate (ODR) (%)	Male	0	0	0	0
	Female	0	0	0	0
Leave Day Rate (LDR) (%)	Male	1.16	1.12	4.938	2.345
	Female	0.32	0	0.087	0.902
Absentee Rate (AR) (Number of hours per year)	Male	129,946.43	60,925.50	96,590.91	44,318.18
	Female	36,547.43	0	1,704.55	17,045.45
Precast Factory					
Injured Rate (IR) (%)	Male	1.33	1.2	0.768	1.056
	Female	0.41	0.22	0	0.132
Occupational Disease Rate (ODR) (%)	Male	0	0	0	0
	Female	0	0	0	0
Leave Day Rate (LDR) (%)	Male	7.13	5.46	1.537	3.828
	Female	2.38	0.33	0	1.320
Absentee Rate (AR) (Number of hours per year)	Male	85,992.70	26,881.72	7,954.55	16,477.27
	Female	28,664.24	0	0	5,682

Product Responsibility



“ Passion ”
for Delivering Innovation



Product Responsibility

With a mission to continuously create customer satisfaction, the Company therefore places high importance in continuous research and development to delivery quality excellence and meet customer requirements. Hence, Market Research Unit and the Center for Internal Innovation Management was established whereas external experts were hired to conduct the survey and analysis on the demands of customer in each area, including projects carried out by other entrepreneurs within the same area and potential location in terms of public utilities. The conducted survey, research and analysis have enabled the Company to gain adequate database to understand customer demand in residential market, including residential types and modes, locations and price levels. The Company has used findings from the survey to further develop new projects.

Product Standard and Safety

At Pruksa, we place great importance in delivering standard quality and safety of products. In 2013, the Company conducted a research on the designs of zero-carbon single-detached house and townhouse prototypes, which was carried out together with Chula Unisearch, the Faculty of Architecture, Chulalongkorn University. In 2015, the Company is expecting to carry out another research on Energy + House prototype in gaining Sustainable building certification of the German Sustainable Building Council. This latest research shall encompass home designing concept in various fields including Physical Environment, Biological Environment, Chemical Environment and Social Environment based on the following study guidelines:

1. Site & Landscape

Due to the worst flooding Thailand has witnessed in 2011, the Company therefore modified its project's layout and landscape to prevent and handle any future flooding by increasing the height of landfill within the project to ensure that it is higher than the height of the street in front of the project or equivalent to the highest level of the flood whereas each project is managed with clear objective to best preserve the original natural resources on site.

2. Energy Efficiency

Pruksa home design manifests Passive Design to create eco-friendly residences that naturally energy-saving, starting from home design, building layout and floor plan. For instance, northern or eastern segments can be used as the main utility space such as living room and bedroom to reduce accumulated heat in the interiors and save energy from air conditions.

3. Material Efficiency

The Company focuses on selecting materials which are up to standard and valuable throughout their product life cycle, including leaving minimum environmental impact and low energy consumption. The Company also emphasizes on using production technology of highest efficiency, clean energy and reduces waste as well as production procedure, including using transport mode that leaves only minimum environmental impact and energy-saving transport routes.

4. Health & Safety

Since Thai society is a closely related society and has large family with elderly family members, the Company therefore has a concept of creating an environment to facilitate the health and safety of elderly people by providing physical environment to address their needs such as ramps, staircase rails and bathroom rails to prevent slippage. In addition, an environment for encouraging the elderly to exercise is also provided, including greenery zone with pleasant ambiance for the elderly to meet up and chit chat or participating group activities with their neighbors.

5. Innovation

At Pruksha Real Estate, we applied state-of-arts technology in every work process. For instance, we applied Building Information Modeling (BIM) in creating designs as this innovative technology enables three-dimensional perspective as well as simulation of building details, completing every work process in one step. It can also be used to estimate energy consumption, including designing options regarding materials for building façade and sunlight shades to create an energy-saving prototype home which consumes less energy and showcases smart investment.

The Company is currently developing nature-based comfort home that consumes limited amount of air conditioning energy to help residents save electricity fee and creating “Zero Carbon” home design which can reduce greenhouse gas emission by over 8 tons a year, equaling to the amount of carbon 660 large trees can accumulate in one year. This does not only minimize global warming but also promote sustainable development.

Production Standard

The Company focuses on high production standard which has been recognized by local and international engineering and construction industries, starting from structural design standard which meets the standard of the Engineering Institute of Thailand under His Majesty the King's Patronage. In the event that there is no domestic reference for certain standard, the Company will refer to international standards such as American Concrete Institute (ACI) and Precast-Pre Stressed Concrete Institute (PCI). In addition, the materials and equipment used are constantly inspected and maintained to meet both local and international requirements such as Thai Industrial Standards (TIS) or American Society for Testing and Material (ASTM).

Pruksha Precast Factory produces state-of-the-art precise concrete of international standard quality. Here, we use computerized quality control in every step of production and conduct 100%quality inspection after each production in accordance to inspection standard of PCI (Precast Concrete Institute). The concrete used in the production process all underwent final product inspection and quality control, guaranteeing that every concrete used is of international standard.

Research & Development Continuity in 2015

The Company continuously carries out research and development of real estate construction technology either through corporate R&D Unit or through collaboration with Strategic Partners. The research and development conducted encompasses three aspects as follow:

- **Process**

The Company introduced Supply Chain Management Innovation, a management process covering from land purchasing, price negotiation, and studies on project possibility, for creating suitable product designs for each customer group. Currently, the Company has transformed its design technique from two dimension to three dimension using BIM (Building Information Model) through MIS which allows connection to a single database system via SAP before moving on to drafting, price estimation, precast concrete production and purchase in hope to reduce database inconsistency between organizations. The database can be used in construction management to allow consistency with the construction technology developed by the Company called REM (Real Estate Manufacturing), an adaptation of industrial manufacturing in real estate manufacturing to achieve highest construction efficiency. This construction technique imitates industrial model to control the quality of the building according to work sequence and allows in-process quality control and inspection in every step of construction, which helped to enhance home quality by 60 percent. It also has after-sales process and Continuous Improvement Project to further uplift product quality by encouraging employee's participation.

Considering process developments over the past years, it can be said that the Company successfully developed prototype homes which helped cut down construction period to only 30 days (after bore pile and foundation work) while normal construction period requires around 75-90 days. This success marks of the beginning of the Company's initiation in reducing construction period in order to deliver homes to customers within the period of 45-60 days.

• Product & Material

At PrukSA, we have a guideline to develop products in meeting world-class standard as well as customer needs, which is why Strategic Partner have played a vital role in innovation development in terms of materials and equipment. Due to this reason, the Company therefore has been collaborating with various business partners whether it be supplier, manufacturer and distributor of construction materials, educational institution or academic institution, to conduct research and improve product quality according to the desired standard in order to deliver quality products at reasonable price while meeting customer needs. The Company has constantly developed the design with suppliers such as sanitary ware design, closet, prefabricated floor, prefabricated staircase, door and window frames, water tank with hidden water pump, speed wall and prefabricated trash bin. Meanwhile, all knockdown bathrooms produced from the factory passed quality inspection before it was assembled at the site. Installation of knockdown bathroom began in this year 2014. The Company also jointly studied the production of wastewater treatment tank and foamed concrete together with researchers. Furthermore, the Company conducted joint researches with educational institutions and academic institutions to address customer needs in terms of quality to assure customers that the Company's fully-precast design, earthquake resistance test, air ventilating townhouses, zero carbon house and House for Generation are safe and of high quality. Every year, the Company plans to gain new business partners to conduct joint research. In the future, eco-friendly materials and energy-saving will further remain as the Company's main focus.

• Service

The Company is determined to deliver service excellence to customers. Hence, various service improvements were made by collaborating with Metropolitan Waterworks Authority and Metropolitan Electricity Authority to ensure that each customer has immediate access to water and power services. And also helped promote the development of the country's infrastructure. New services have been developed to address the diverse customer demands including:



- PRUKSA Better Living Service for providing recommendation about contractors to customers and general public as well as advice regarding renovation, modification or additional construction.



- PRUKSA Contact Center 1739 for providing information, receiving requests and complaints, making appointments regarding inspection and repair.



- news updates and other services via www.pruksa.com



- LIVE CHAT Service for providing information and arranging appointments.



- Furthermore, the Company developed handover inspection system on iPad to allow customer convenience. The system gives quick result summary and record following handover inspection.

This is because the most important element in business is not its product or service, but “constructive thinking” behind those product or service, which is valuable and beneficial to customers and the overall society. It is a way of creating shared value as well as benefits for the overall society, allowing sustainable business growth.

Product Research and Innovation Development

Real Estate Manufacturing (REM)

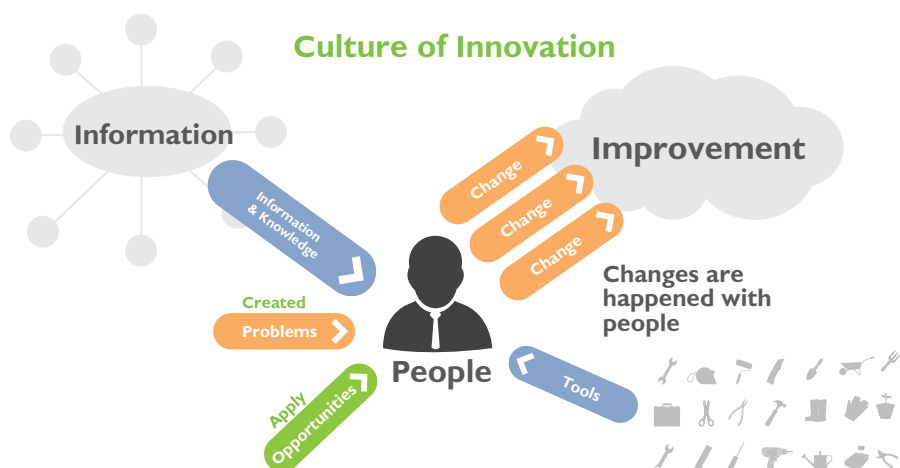
Having been developed since 2011, REM (Real Estate Management) is an adaptation of automobile manufacturing in real estate manufacturing to achieve highest construction efficiency in delivering quality residence. This construction technique imitates industrial model to control the quality of building according to work sequence and allows in-process quality control and inspection in every step of construction to ensure best quality home. The Company established a policy to apply REM 100% in the construction of its horizontal projects including single-detached house and townhouse projects.

In 2014, REM has been incorporated in 68 other projects of which 30 projects are single-detached house projects whereas the remaining 38 project are townhouse projects. Now the Company began to apply REM in the construction of vertical projects namely The Privacy Condo Ngam Wong Wan and The Privacy Condo Rewadee to enhance condo quality as well as construction efficiency. Based on the outcome of pioneer projects, construction period of condominium can be reduced by as much as 38% comparing to original construction period.

Most importantly, in 2014, the Company upgraded REM to Mobile REM, which is a transformation of planning and construction management techniques for certain single-detached house projects. Originally, two construction teams are required. Now, only one construction team is needed, enabling easy management and highest construction efficiency while reducing labor insufficiency problem as well as construction cost to lowest level and good quality homes. Mobile REM has been successfully applied in several projects including Passorn 26 Ratchapruek-Tiwanon and The Plant Light Tiwanon-Rangsit, revealing an increase in construction efficiency by as much as 30%.



Small Group Activity (SGA)



The most vital element in innovation development is employee. Hence, the Company has a policy to promote competency development as well as encouraging innovative development and creativity among employees within the organization.

The Company continuously supports improvement projects and activities namely Small Group Activity (SGA) and Continuous Improvement (CI). SGA Project is initiated to drive new innovation development among employees in operational level whereas CI Project is initiated to drive new innovation development among employees in management level.

SGA Project forms a culture of continuous improvement in work process based on Plan-Do-Check-Act (PDCA) principle. To ensure quick results, Six Sigma analysis and improvement technique which consists of Define-Measure-Analyze-Improve-Control (DMAIC) was applied. Both improvement projects were jointly carried out for the first time in 2014 whereas outcome from initiation of improvement projects were also evaluated. Such outcome represents the total sum of the Company's actual cost reduction, reflecting tangible result. In the overall, both improvement projects managed to cut down cost of the Company by as much as 149 million Baht of which over 70 million Baht was a result from the projects jointly carried out by Prukso Precast employees whereas over 76 million Baht was a result from "Cooperation Project to Develop the Service to Streamline Power and Water Supply Request from Housing Village" which is a collaboration project joined by Metropolitan Waterworks Authority, Metropolitan Electricity Authority and Provincial Electricity Authority. Due to these achievements during the past year, the Company therefore increased improvement budget by six times, reflecting continuous support from the management. Meanwhile, competency employees are encouraged to present new innovations in driving Prukso forward and becoming the number one brand in customers' mind as well as uplifting the Company level of competitiveness.

The success of the Company's improvement projects were also recognized by Technology Promotion Association (Thailand-Japan) at the Thailand Lean Award Competition, allowing the Company to earn Silver-Level Award as a company that supports organizational development based on Lean Strategy. Furthermore, the Company also received Silver-Level KAIZEN Award, which is an award for improvement based on Japan's industrial principle, for its "Contract Documentation Management System for Electronic Document for Legal" project and Bronze-Level KAIZEN Award for its project on "Reduction of Installation Period of Shuttering for Concrete Placing for Sealing Precast Gaps".



The Company ceaselessly and seriously carries out its policy for instilling innovation development culture among its employees in all levels whether it be operational level or management level because at “Pruksa” we realized the significance of employees in driving organizational sustainability.

Customer Satisfaction Management

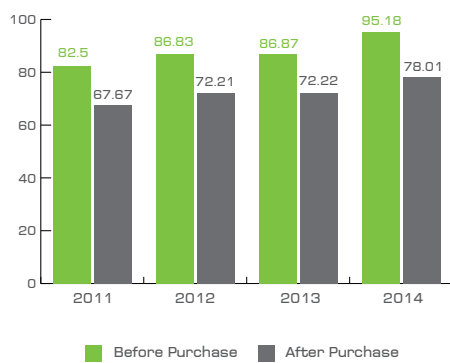
Due to the Company's vision to become the number one brand in the heart of customers, the Company has strived to manage customer satisfaction and understand true customer needs by using in-depth database and customer management strategy to seek the best solution to gain highest customer satisfaction. The effort has been incorporated in every step of work sequence to deliver valuable products and services. The satisfaction evaluation is carried out regularly every month to bring feedback to analyze and improve operation. The scope of customer satisfaction covers every process as follows:

Customer Satisfaction Assessment	Assessment Method	Frequency
1. Information Service	Collect customer feedback immediately by an automated transfer after Pruksa Contact Center 1739 interaction takes place.	Every call requiring information from Pruksa Contact Center 1739.
2. Project Visit	Evaluate customer satisfaction by asking customers to fill out the evaluation form on the day of their visit.	Every visitor
3. Reservation and Contract Signing	Evaluate customer satisfaction by asking customers to fill out the evaluation form on the day the customers make reservation and purchase/sales agreement.	Every customer who makes reservation and enters into purchase/sales agreement with the Company.
4. Ownership Transfer	Evaluate customer satisfaction by asking customers to fill out the evaluation form on the day house key has been handed over to customer.	Every customer who receives ownership transfer and house key.
5. Moving in After Ownership Transfer	Evaluate customer satisfaction over the phone by asking the customers to score their level of satisfaction via Pruksa Contact Center 1739 three months after the transfer of ownership.	Every customer will be surveyed three months after transfer of ownership.
6. Repair Service	Customers are asked to evaluate the service over the phone via Pruksa Contact Center 1739 after repair service is completed as requested.	As per the number of customers receiving repair service.
7. Service of Housing Project/ Condo Juristic Person	Evaluate customer satisfaction over the phone by asking customers to evaluate service quality after committees of housing project/ condo juristic persons are established or after receiving transfer of public utilities.	- For horizontal projects, the survey will be made three months after the handover of public utilities. - For condo projects, the survey will be made five months after juristic person has been set up.

Customer Satisfaction in Services

Year	2011	2012	2013	2014
Before Purchase	82.50	86.83	86.87	95.18
After Purchase	67.67	72.21	72.22	78.01

By implementing its Customer Centric Strategy in operations, the Company successfully developed i-Inspection, a recent innovation developed by Pruksa employees to enhance after-sales service quality in creating customer satisfaction. The system allows not only complete and accurate repair request record, but also provide quick customer response, creating positive customer satisfaction.





Honorary Awards

Pruksa Real Estate aims to develop its real estate business to drive the overall economy and society forward while promoting environmental conservation by delivering products and services of standard quality, including introducing new innovations that will be beneficial to the society and the environment. Due to this determination, the Company has earned its recognition for its outstanding performance and was granted honorary awards from prestigious local and international institutions and organizations as proofs of the Company's continuous success. The awards earned by the Company in 2014 include:

Best Investor Relations Awards 2014

The Stock Exchange of Thailand presented "Best Investor Relations Awards 2014" which an award for registered company with outstanding investor relations performance based on collaboration-focused.



Outstanding Corporate Social Responsibility Awards 2014

The stock Exchange of Thailand Presented "Outstanding Corporate Social Responsibility Awards 2014" which an award for registered company has continuously demonstrated the remarkable performance in social responsibility.



Sustainability Report Award 2014

Pruksa Real Estate celebrates "Outstanding Sustainability Report Award 2014" given by CSR Club, Thai Listed Companies Association under the sponsorship of The Securities and Exchange Commission. Pruksa Real Estate is the only real estate company which has earned this celebrated award second year in a row, marking its continuous success.



CSR Recognition 2014

The Stock Exchange of Thailand presented "CSR Recognition Award 2014 in General" to honor the Company as the role model for registered companies as well as other agencies and general public in continuous corporate social responsibility. This is the second year Pruksa Real Estate has earned this celebrated award.





International Property Awards 2014-2015

The Company received First Prize Award for “Marketing Development” in “International Property Awards” held in Kula Lumpur, Malaysia. The award was presented by international committee to honor The Reserve Kasemsan 3 Project under the brand of Stylish Residences for outstanding and comprehensive marketing plan from concept laying, project design, project's name and other marketing media which clearly and perfectly reflects the idea of Precious Homes for Generations to Come.



BCI Asia Top 10 Developers Awards 2014

Pruksa Real Estate celebrated “BCI Asia Top 10 Developers Awards” presented by BCI Media Group. The award is given to real estate companies and designers with exceptional project design and quality. Four Pruksa Condo Projects were awarded including Fuse Sense Bangkai, Plum Condo Bangkai, Fuse Chan-Sathorn and Condolette Midst Asok-Rama 9, all of which marks continuous pride of the Company as this is the fourth year in a row which the Company's single-detached house and condo projects has celebrated this honorary award as proof of continuous real estate development by Pruksa Real Estate.



Thailand Lean Award 2014

The Technology Promotion Association (Thailand-Japan) presented Silver Award to the Company at Thailand Lean Award 2014 for outstanding Lean Management which focuses on eliminating loss and encourages an organization to systematically enhance quality, cost reduction and speed in delivering products and services. The award is considered to be the most prestigious Honorary Award for Operational Excellence in Thailand and widely recognized, particularly in manufacturing and service sectors. Pruksa Real Estate is the only real estate company in Thailand to earn this celebrated award.



Green Governance 2014

The Ministry of Industry presented an award for “Green Governance 2014” to the Company for successful implementation of Green Governance System as part of the “River Basin Management and Green Governance Project” joined by the Company. Pruksa Real Estate passed the Green Governance Assessment through its eco-friendly Precast Concrete Production.

STANDARD DISCLOSURES PART I: Profile Disclosures

Profile Disclosure	Description	Reported	Reference/Direct answer
1. Strategy and Analysis			
1.1	Statement from the most senior decision-maker of the organization.	●	AR Page 16-17 SR Page 2-3
1.2	Description of key impacts, risks, and opportunities.	●	AR Page 157-158 SR Page 18-20
2. Organizational Profile			
2.1	Name of the organization.	●	SR Back Cover
2.2	Primary brands, products, and/or services.	●	SR Front Cover
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	SR Page 6-9
2.4	Location of organization's headquarters.	●	SR Back Cover
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	AR Page 66-69 SR Page 6-9
2.6	Nature of ownership and legal form.	●	AR Page 66-69 SR Page 6-7
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	AR Page 34-35 SR Page 5
2.8	Scale of the reporting organization.	●	AR Page 10, 15, 29, 68 SR Page 5-7
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	●	SR Page 24-25
2.10	Awards received in the reporting period.	●	SR Page 84-85
3. Report Parameters			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	●	SR Page 4

Note : AR-Annual Report 2014, SR-Sustainability Report 2014.

● Fully Reported ○ Partially Reported

Profile Disclosure	Description	Reported	Reference/Direct answer
3.2	Date of most recent previous report (if any).	●	Annual Report 2013
3.3	Reporting cycle (annual, biennial, etc.)	●	Annual
3.4	Contact point for questions regarding the report or its contents	●	SR Page 4
3.5	Process for defining report content.	●	SR Page 4
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	SR Page 4
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	SR Page 4
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	SR Page 4
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	SR Page 48-49
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	SR Page 4 No re-statement of information
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	SR Page 4 No re-statement of information
3.12	Table identifying the location of the Standard Disclosures in the report.	●	SR Page 86-94
3.13	Policy and current practice with regard to seeking external assurance for the report.	●	SR Page 95-96 Have external assurance for the report

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

Profile Disclosure	Description	Reported	Reference/Direct answer
4. Governance, Commitments, and Engagement			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	SR Page 10
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	●	SR Page 12-14
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	●	SR Page 12-14
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	SR Page 16
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	AR Page 87
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	AR Page 131-132 SR Page 12-14
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	AR Page 118
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	SR Page 11
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	AR Page 117-120 SR Page 12-14
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	AR Page 124-125

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

Profile Disclosure	Description	Reported	Reference/Direct answer
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	SR Page 50-52 EIA
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	SR Page 71 OHSAS 18001:2007
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	●	SR Page 39
4.14	List of stakeholder groups engaged by the organization.	●	SR Page 17
4.15	Basis for identification and selection of stakeholders with whom to engage.	●	SR Page 17
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	SR Page 17-18
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	●	SR Page 17

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

DMAs	Description	Reported	Reference/Direct answer
DMA EC	Economic performance	●	SR Page 28-29
DMA EN	Materials	●	SR Page 48
	Energy	●	SR Page 42
	Products and services	●	SR Page 24-25
	Transport	●	SR Page 49, 72
	Overall	●	SR Page 42

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

DMA's	Description	Reported	Reference/Direct answer
DMA LA	Employment	●	SR Page 61
	Labor/management relations	●	SR Page 16, 65
	Occupational health and safety	●	SR Page 66-67
	Training and education	●	SR Page 64-65
	Diversity and equal opportunity	●	SR Page 61
	Equal remuneration for women and men	●	SR Page 61-62
DMA HR	Investment and procurement Practices	●	SR Page 61-62
	Non-discrimination	●	SR Page 61-62
	Child labor	●	SR Page 61-62
	Prevention of forced and compulsory labor	●	SR Page 61-62
	Remediation	○	SR Page 61-62
DMA SO	Local communities	●	SR Page 35-36
	Public policy	●	SR Page 32
DMA PR	Customer health and safety	●	SR Page 76-77
	Product and service labelling	●	SR Page 16, 81

STANDARD DISCLOSURES PART III: Performance Indicators

Performance Indicator	Description	Reported	Reference/Direct answer
Economic			
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	SR หน้า 28-29
EC3	Coverage of the organization's defined benefit plan obligations.	●	SR หน้า 61-62

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

Performance Indicator	Description	Reported	Reference/Direct answer
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	SR Page 77-78
Environmental			
Materials			
EN1	Materials used by weight, value or volume.	○	SR Page 48
Energy			
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	●	SR Page 77-78
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	SR Page 49-50
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	●	SR Page 49
Overall			
EN30	Total environmental protection expenditures and investments by type.	●	SR Page 43-47

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

Performance Indicator	Description	Reported	Reference/Direct answer
Social: Labor Practices and Decent Work			
Employment			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	○	SR Page 57
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	●	SR Page 58-60
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	●	SR Page 62
LA15	Return to work and retention rates after parental leave, by gender.	●	SR Page 61
Labor/management relations			
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	●	SR Page 65
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	●	SR Page 67-69
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	●	SR Page 73
CRE6	Percentage of the organization operating in verified compliance with an internationally recognized health and safety management system.	●	SR Page 71
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	SR Page 64, 70

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

Performance Indicator	Description	Reported	Reference/Direct answer
Training and education			
LA10	Average hours of training per year per employee by gender, and by employee category.	●	SR Page 64-65
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	SR Page 64-65
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	●	SR Page 64-65
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	●	SR Page 60
Equal remuneration for women and men			
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	●	Equal opportunity for women and men
Social: Human Rights			
Non-discrimination			
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	●	SR Page 64-65
HR4	Total number of incidents of discrimination and corrective actions taken.	●	SR Page 61 No discrimination incidents
Child labor			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	●	SR Page 61 No child labor dispute

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

Performance Indicator	Description	Reported	Reference/Direct answer
Prevention of forced and compulsory labor			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	SR Page 61 No forced and compulsory labor dispute
Remediation			
HR11	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	●	SR Page No grievances related to human rights dispute
Social: Society			
Local communities			
SO9	Operations with significant potential or actual negative impacts on local communities.	●	SR Page 50-52
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	SR Page 50-52
Public policy			
SO5	Public policy positions and participation in public policy development and lobbying.	●	SR Page 50-52
Social: Product Responsibility			
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	○	SR Page 76-77
Product and service labelling			
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	SR Page 81-82

Note : AR-Annual Report 2014, SR-Sustainability Report 2014,

● Fully Reported ○ Partially Reported

This report has been a disclosure report under the GRI reporting framework universal G3.1. By additional in the construction and property used in the disclosure report that the B +. And We have assessed the level of disclosure reports from external assured agency.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	Profile Disclosures G3.1 Guidelines OUTPUT	Report on : 1.1 2.1-2.10 3.1-3.8, 3.10-3.12 4.1-4.4, 4.14-4.15	Report Externally Assured	Report on all criteria listed for Level C plus : 1.2, 3.9, 3.13, 4.5-4.13, 4.16-4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
	Disclosures on Management Approach G3.1 Guidelines OUTPUT	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each Indicator Category	
	Performance Indicators G3.1 Guidelines and Sector Supplement Performance Indicators OUTPUT	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of : social, economic, and environment**		Report fully on a minimum of any 20 Performance Indicators, at least one from each of : economic, environment, human rights, labor, society, product responsibility.***		Respond on each core and Sector Supplement* indicator with due regard to the materiality Principle by either : a) reporting on the indicator or b) explaining the reason for its omission.	

*Sector Supplement in final version

**Performance Indicators may be select from any finalized Sector Supplement, but 7 of 10 must be from the original GRI Guidelines

***Performance Indicators may be select from any finalized Sector Supplement, but 14 of 20 must be from the original GRI Guidelines

Reference : GRI Sustainability Reporting Guideline & Construction and Real Estate Sector Supplement (Version 3.1/CRESS Final Version)-GRI Application Level Section, pp.2



Independent Assurance Statement

To Pruksa Real Estate PCL on the Sustainable Development Report 2014

Pruksa Real Estate Public Company Limited requested Thaipat Institute (the Foundation for Thailand Rural Reconstruction Movement under Royal Patronage) to carry out an assurance engagement response to the Sustainable Development Report 2014 based on the following criteria:

- The nature and extent of adherence to the AA1000 AccountAbility Principles Standard (AA1000APS 2008) of inclusivity, materiality and responsiveness
- The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines version 3.1 and the requirements of Application Level B⁺

Intended users of the statement

The intended users of this assurance statement are the management of Pruksa Real Estate PCL and its associated stakeholders.

Roles and Responsibilities

- The management of Pruksa Real Estate PCL has sole responsibility for the preparation and content of its Sustainable Development Report 2014
- Thaipat Institute represents the assurance statement to express its independent and balanced opinion on the Sustainable Development Report 2014 as defined within the scope of assurance below to Pruksa Real Estate PCL

Scope of Assurance

The scope of this assurance engagement based on Type 1, AccountAbility Principles: evaluation of adherence to the AA1000 AccountAbility Principles and to the GRI Sustainability Reporting Guidelines version 3.1. The scope of this assurance engagement does not provide conclusions on the reliability of the performance information.

Assurance Standard Used

The assurance engagement has been provided in accordance with the AA1000AS (2008).

Disclosures Covered

The assurance engagement is based on information that is publicly disclosed on the Sustainable Development Report 2014 of Pruksa Real Estate PCL for the year ended 31 December 2014.

Methodology

We carried out Type 1 moderate assurance in accordance with AA1000AS. The Type 1 engagement requires us to report on the nature and extent of adherence to AA1000 APS. To achieve moderate level assurance we have used the criteria in AA1000AS to evaluate adherence to AA1000APS. We undertook the following procedures:

- Reviewed the policies, practices, management systems and processes and performance information to be included within the Sustainable Development Report 2014 of Pruksa Real Estate PCL
- Analyzed information on performance provided in the Sustainable Development Report 2014 of Pruksa Real Estate PCL as a source of evidence to evaluate adherence to the principles and guidelines
- Inquired the processes Pruksa Real Estate PCL undertaken to adhere to the principles of inclusivity, materiality and responsiveness
- Assessed the extent to which Pruksa Real Estate PCL has applied the GRI Reporting Framework including the Reporting Principles and Construction and Real Estate Sector Supplement
- Provided observations/recommendations to Pruksa Real Estate PCL in accordance with the Scope of Assurance based on defined criteria

Findings and Conclusions

- Based on the scope of assurance using the AA1000AS (2008), we conclude that Pruksa Real Estate PCL has applied processes and procedures that adhere with the principles of inclusivity, materiality and responsiveness as set out in the AA1000APS (2008); and
- Based on the scope of assurance using the GRI Reporting Framework, we conclude that Pruksa Real Estate PCL has followed Reporting Principle

and Standard Disclosures in a reasonable and balanced presentation of information and consideration of underlying processes for preparing the report

Observations and Recommendations

Nothing came to our attention which caused us to believe that the Sustainable Development Report 2014 of Prukha Real Estate PCL did not adhere to the Principles. To improve future reporting of Sustainability in accordance with AA1000APS, we have made following observations:

Inclusivity: The report shows prioritization of stakeholders, various channels of their engagement as well as brief practices to stakeholders. However, it is recommended that rationales behind its stakeholder identification process should be appropriately addressed and participation of key stakeholder groups across the sector should be reported in comprehensive and balanced manner to address and respond to their stakeholder concerns and expectations. It is also recommended that frequency of engagements by type and by stakeholder group should be included in the next reporting period.

Materiality: The report addresses rough identification of material issues to the organization, and to its stakeholders via the materiality determination process in the context of AA1000 principles. It is recommended that the material issue determination process should be clearly stated and taken those relevant aspects into account in relation to stakeholders and therefore merits particular attention in the report.

Responsiveness: Prukha Real Estate PCL demonstrates its intensive response to the material issues that affect sustainability performance through governance structure, policies, management approaches, actions and performances. However, it is recommended that targets and timelines to achieve those committed targets should be included in addition to those responses, especially in the statement from the highest governance or CEO, as well as determining its measurement, performance monitoring system, and stakeholder communications.

To improve future sustainability reporting in relation to GRI Reporting Framework, we have made the following observations:

Prukha Real Estate PCL has in place the underlying processes for preparing the report content indicated on Standard Disclosures (Strategy and Profile, Management Approach, and Performance Indicators) including Construction and Real Estate Sector Supplement. It is observed that Prukha Real Estate PCL has room to improve on principles for ensuring report content and quality, such as balance and comparability

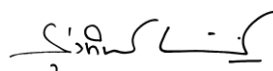
In addition to the recommendations, there are a number of suggestions:

- Page references in the GRI Content Index should be specific to one or two pages. In the case that disclosures can be found across a wide range of pages, the Content Index should state the pertinent information that can be found on each of these pages.
- Material issues, impacts and affected stakeholder groups relate to the sector should be distinctively presented
- Performance on environmental impact mitigation caused by improving its logistics should be measured in terms of resource-conserving or -utilizing, instead of financial-saving in order to acquire comparability of information
- Performance on average hours of trainings should be illustrated cover 3-5 years to be consistence with other sustainability performances.

Competencies and Independence

Thaipat Institute is a public organization established in 1999 with its roles in researching, training, and consulting in corporate responsibility and sustainability practices. Thaipat Institute is an AA1000AS (2008) Licensed Providers granted by AccountAbility, the creator and proprietor of the AA1000 Assurance Standard. Thaipat Institute has become the first GRI Organizational Stakeholder in Thailand since 2010 and has been certified as GRI training partner in Thailand, Indonesia, Malaysia, Philippines, Vietnam, and Singapore. Our team has the relevant professional and technical competencies and experience in corporate responsibility and sustainability for several years. During FY2014, we did not provide any services to Prukha Real Estate PCL that could conflict with the independence of this work.

For Thaipat Institute



By Rungthip Phenphan

Bangkok
23 February 2015



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