



PRUKSA



Sustainability Report 2019  
Pruksa Holding Public Company Limited



# Sustainable Development Policy of Pruksa Holding Public Company Limited

**Pruksa Holding Public Company Limited and its subsidiaries** emphasized on business for sustainable growth to create maximum satisfaction for all stakeholder groups. The company and its subsidiaries aim to be an organization with sustainable development that help create economic value, reduce environmental impact and help improve the quality of life as well as the well-being of people in the society under corporate governance and good governance; along with being a part that help drive towards sustainable development goals (SDGs) at national and international level. By adopting Pruksa's core business supplemented with the expertise and resources of the company creating creative innovation and technology to deliver quality home and meet all demand for everyone; by emphasizing on 3 main aspects which are :

## 1. Heart to Home :

Care the quality of life and well-being : With cooperation and devotion in every step of operating of Pruksa's employee in order to provide quality housing for every customer.

## 2. Heart to Earth :

Care for the environmental impact : Taking into account the environmental impacts in every detail of the production process to help reduce global warming.

## 3. Heart to Society :

Care for the society and provide good opportunities : Placing importance to the well-being of people by providing knowledge and promote job creation as well as create new opportunities for the better quality of life of people in society.



# Message from Executive Vice Chairman of The Board of Directors and Group Chief Executive Officer (GRI 102-14)



“Pruksa has made commitment to continuously strive to create products and services to improve the quality of life, innovate and develop innovation that meets modern life styles, care for the environment and creates good opportunities for people in the society under good corporate governance and sustainable growth”

Over 26 years on real estate business path is our Pruksa prides, from relentlessly dedicating and devoting to the highest standards in every step and being the leader in innovating new technologies, allowing us to deliver the best quality of living and help improve the happiness in living of Thai people.

The year 2019 is another important step for Pruksa, as we have become the member of Thailand Business Council for Sustainable Development: TBCSD to emphasize on the organization standpoint in becoming part that drive Thailand towards sustainable development under the corporate governance and holds good corporate governance. In order to be in complied with the mentioned objectives, Pruksa has established development guidelines that emphasized on 3 significant aspects which are :

- **Care the quality of life and well-being :** With cooperation and devotion in every step of operating of Pruksa’s employee in order to provide quality housing for every customer.
- **Care for the environmental impact :** Taking into account the environmental impacts in every detail of the production process to help reduce global warming
- **Care for the society and provide good opportunities :** Placing importance to the well-being of people by providing knowledge and promote job creation as well as create new opportunities for the better quality of life of people in society.

Pruksa’s success in the past years is reflected through honorable awards from various organizations both local and international, such as the “National Innovation Award of the Year 2019” in the field of National Innovation Award in Economy for large organization type, organized by the National Innovation Agency. Pruksa has created several innovative works that benefits the economy and society in several projects, such as designing elderly homes with Pruksa Living Tech technology as well as encouraging employees in the organization for their innovation; in order to deliver the best products and services to customers. Moreover, Pruksa has been awarded with “Best Organization to Drive Thai Economy Award” for 2<sup>nd</sup> consecutive years from the “Drive Awards 2019” which this year the company has been awarded in the field of Property & Construction. The Committee considered from the company’s outstanding performance along with environmental care and the principles of good governance as well as fairly treating shareholders and suppliers. Pruksa has also been awarded with the World Branding Awards as the “Brand of the Year” at the national level in the field of property developers which the consideration made is based on the value of the brand, consumer market research and online votes from the general public.

Pruksa has participated in several projects both in the environmental and the well-being of the people in the society aspects, such as the project “Care Day...Returning Clear Water to the Canal” which is to provide knowledge on wastewater treatment before releasing back to the canal for the community as well as campaigned for the community to help preserve the environment. This includes the project “Care Home...For Disable Person By Pruksa” where the company has collaborated with associates network and local communities in designing and improving the house for the disabled in Khon Kaen Province in order to allow people with disabilities to live in a safer home and have a better quality of life. In addition, the company has participated in the “Vocational Teacher 4.0 By Pruksa” project where we collaborated with the vocational education sub-committee in providing both theoretical and practical knowledge to vocational teachers on construction that included Pruksa’s new innovations and technologies in order to develop teaching and to pass on to the next generation. Capture the Fracture is another project that Pruksa has participated, which Pruksa and Department of Medical Services, Ministry of Public Health collaborated in providing knowledge and demonstrate to the elderly or patients with hip fractures at Lerdsin Hospital; various devices with modern innovations were installed to help solve problems and to facilitate the elderly. Another project is “Vimut Care...deliver good health to the society” which Pruksa collaborated with Baan Mhor Vimut Clinic in providing free health check-up services to residents of the Rangsit, Khlong 3 community.

Finally, Pruksa has made commitment to continuously strive to create products and services to improve the quality of life, innovate and develop innovation that meets modern life styles, care for the environment and creates good opportunities for people in the society under good corporate governance and sustainable growth.

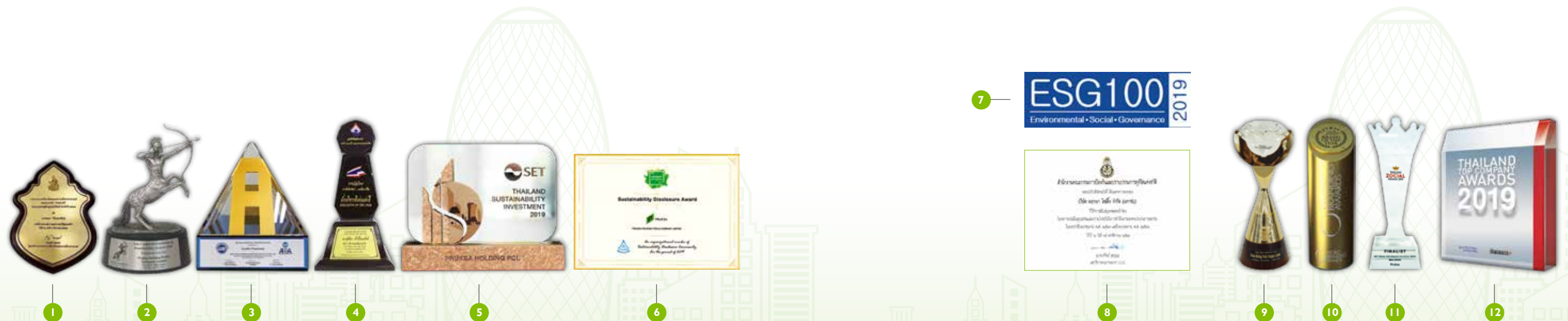
**Mr. Thongma Vijitpongpun**  
Executive Vice Chairman of The Board of Directors  
and Group Chief Executive Officer

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# Awards and Achievement



**1 Prachabadi Award for the year 2019 for outstanding individuals and organizations providing help and support.**  
Her Royal Highness Princess Soamsawali Krom Muen Suddhanarinatha presided over the awards to Mr. Thongma Vijitpongpun, Executive Vice Chairman of The Board of Directors and Group Chief Executive Officer of Prukha Holding Public Company Limited, by the invitation of the Ministry of Social Development and Human Security.

**2 Entrepreneur of the Year Award**  
The highest award from the international award ceremony "Asia Corporate Excellence & Sustainability Awards 2019" was presented to Mr. Thongma Vijitpongpun, Executive Vice Chairman of The Board of Directors and Group Chief Executive Officer of Prukha Holding Public Company Limited.

**3 Asia's Top Outstanding Woman Marketeer of the Year 2019**  
The award was presented to Mrs. Supattra Paopiamsap, Deputy Chief Executive Officer of Prukha Holding Public Company Limited and Chief Executive Officer of Prukha Real Estate Public Company Limited, as the outstanding female marketer of Asia for 2019, Taipei, Taiwan.

**4 Outstanding CEO Awards 2019 : Business Administration and Development**  
Awarded to Mrs. Supattra Paopiamsap, Deputy Chief Executive Officer of Prukha Holding Public Company Limited and Chief Executive Officer of Prukha Real Estate Public Company Limited.

**5 Thailand Sustainability Investment (THSI) for 4<sup>th</sup> Consecutive Years**  
As an organization with sustainable business operations that care for the Environment, Society and Governance: ESG, presented by the Stock Exchange of Thailand.

**6 Sustainability Disclosure Award 2019 under the category of Honorary Award**  
As an organization that completely and transparently disclosed sustainability information that covered all three aspects of economic, society and environment to the public and related stakeholders, presented by Thaipat Institute.

**7 ESG 100 Company Award 2019**  
Environmental - Social - Governance

**7 ESG 100 Company Award 2019**  
Prukha was selected to be in the ESG 100 Company Group for the year 2019 (Environmental, Social and Governance: ESG) for 3<sup>rd</sup> consecutive years, presented by Thaipat Institute.

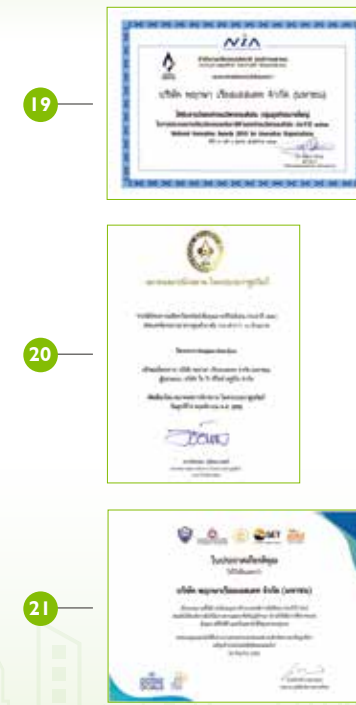
**8 Certificate of Honor**  
As an organization supporting the moral assessment project and transparency in operations of the Private Sector (NACC) from the Office of the National Counter Corruption Commission or the N.C.C.

**9 International Quality Management Award : Diamond Class (Highest)**  
As an organization that dedicated to continuously innovate and develop to create products for excellence. The award was presented in Paris, France.

**10 Brand of the Year 2019**  
As the most popular brand in the field of Property Developer from "World Branding Awards" at Kensington Palace, London, England.

**11 Best Brand Performance Award on Social Media (Real Estate)**  
"PRUKSA, HEART TO HOME" campaign received 47% positive sentiment and has the number 1 followers on Youtube in the real estate industry at the 7<sup>th</sup> "Thailand Social Awards 2019".

**12 Thailand Top Company Awards 2019 in the category of Top Management Award**  
From excellence in formulating corporate management strategies for sustainable growth and being able to meet the demand of customers for both residential and service.



**13 BCI Top 10 Developer Awards 2019 for the 9<sup>th</sup> Consecutive Years**  
 Awarded to Plum Condo Ram 60 Interchange Project, Chapter One Flow Bangpo Project and The Reserve 61 Hideaway Project.

**14 2018 Best Selling Project Award**  
 Awarded to Plum Condo Rangsit Alife Phase I project, where the consideration is made from the project overview, quality of construction and sales volume. The award was presented at the Global Real Estate Internet Summit (GREIS) 2<sup>nd</sup> time in Beijing, China.

**15 Plaque in honor of Energy Conservation Building, Year 2019**  
 Awarded to The Tree Sukhumvit 71-Ekkamai Project, The Tree Charan 30, Building A and B, and The Tree Ladprao 15 from the Ministry of Energy.

**16 Property Guru Thailand Property Awards 2019**  
 Awarded to the "The Privacy Jatujak" project, 2 awards were presented: Best Mid End Condo Development and Highly Commended: Best Mid End Condo Interior Design, which considered from the quality of construction, design concept, modern innovation, facility and the worthiness of the project.

**17 Drive Award 2019 in Property & Construction**  
 Considered from the financial performance of the Company in 2018 together with the principles of good governance, along with taking care of shareholders and suppliers. The award was presented by MBA Alumni Association, Faculty of Commerce and Accountancy, Chulalongkorn University.

**18 Green Industry Award, Level 4 from the Ministry of Industry Green Network (Green Culture)**  
 Awarded to Pruksa Precast Factory Navanakorn, which is an establishment that cares about conducting business that is environmentally friendly and has continuous development.

**19 Award "National Innovation of the Year 2019" National Economic Innovation Award in the Category of Large Organizations**  
 As an organization with innovations that benefit many outstanding economies and societies, such as collaborating with the Department of Medical Services to create a sample room for the elderly and patients with hip fractures at Lerdsin Hospital. Design of functional functions within the company's project to supports the use of the elderly and Pruksa Living Tech technology to deliver the best products and services to customers. The award was presented by National Innovation Agency.

**20 ASA Real Estate Awards 2019**  
 Award for real estate project for outstanding quality of life for the year 2019, residential condominium category with value below 10 million baht; is presented to Chapter One Eco Ratchada-Huay Kwang project. The criteria for consideration are judged by a panel of experts in a variety of professions.

**21 Certificate of Honor for Organization that Contribute to Social Benefits : Promote the Employment of Social Disabled People 2019**  
 To honor social benefits and show appreciation for companies that continuously support the employment of people with social disabilities from the Minister of Social Development and Human Security.

**22 CAC Change Agent Award**  
 Pruksa is the prototype company in conducting clean and transparent business throughout the supply chain. This is a clear reflection of the company's standpoint in participating in solving the problem of corruption and refusing to pay all forms of bribes, for sustainable growth. The award was presented Thailand's Private Sector Collective Action Coalition Against Corruption: CAC.

**23 Outstanding Ethics Award, Thai Chamber of Commerce Year 2019**  
 As an organization with transparent business operations, information can be disclosed and verified, responsible to consumers and suppliers along with helping society activity at the TCC BEST AWARDS 2019.

**24 Received Assessments of Corporate Governance Practice of Thai Listed Companies for the Year 2019**  
 Earning an "Excellent" level for the 3<sup>rd</sup> consecutive years from the Thai Institute of Directors (IOD).






**25 Received Assessment of the Quality of the Annual General Meeting of Shareholders in 2019**  
 With the score of 100 points for 3<sup>rd</sup> consecutive years from the Thai Investors Association.

# Summary of Sustainable Development Impact

## Corporate Governance

 <p>Executives and employees accepted the policy and assessment on the knowledge of anti-corruption <b>99.83%</b></p>	 <p>Reporting conflicts of interest <b>99.66%</b></p>	<p>Suppliers declared the intent of joining CAC <b>17 suppliers</b></p>
<p>The <b>4<sup>th</sup></b> consecutive years policy "No Gift Policy"</p>	<p>Corruption incidents <b>8 cases</b></p>	

## Economic Operations for Sustainable Growth

 <p>Revenue <b>40,152 million baht</b></p>	 <p>Payment made to the Capital owners <b>3,502 million baht</b></p>	 <p>Payment to the State <b>3,189 million baht</b></p>
 <p>Community investment <b>3 million baht</b></p>	 <p>Launching new projects <b>36 projects</b></p>	

Innovation for Sustainability










## "Pruksa Living Tech"

 HEALTHY	 GREEN	 SAFETY	 SMART
Living Technology for Healthy	Living Technology for Green	Living Technology for Safety	Living Technology for Smart

 Customer satisfaction  
**91.17%**

 The suppliers accepted the supplier code of conduct  
**1,396 suppliers**

## Sustainable Operations to Reduce Environment Impact

 <p>GHG emission reduction <b>136,977.35 tCO<sub>2</sub>e</b></p>	 <p>Total electricity consumption <b>9,757,201.59 kilowatt-hour</b></p>
 <p>Solar energy usage <b>129,862.45 kilowatt-hour</b></p>	 <p>Reduce the number of transportation trips <b>250 trips</b></p>
 <p>Wastewater treatment</p> <ul style="list-style-type: none"> <li>Install solar energy wastewater treatment system with the project <b>10 projects</b></li> <li>Canal dredging around the project <b>9 projects</b></li> </ul>	 <p>Using natural water in place of tap water <b>&gt;30%</b></p>
	 <p>Reuse wastewater from the production process <b>100%</b></p>
 <p>Recycle and reuse materials</p> <ul style="list-style-type: none"> <li>Stone, sand, mould oil, containe <b>100%</b></li> <li>Steel Mould <b>95%</b></li> </ul>	<p>Reduce cement usage <b>1.5%</b> (reduction targets 1%)</p>
<p>Waste Management in accordance to the industrial systems <b>100%</b></p>	 <p>Handling complaints on environmental impact <b>100%</b></p>
	<p>EIA Certified Project <b>13 projects</b></p>

## Social Operations for A Sustainable Good Quality of Life

<p>Employee</p> <ul style="list-style-type: none"> <li>Employment <b>2,956 persons</b></li> <li>Training course <b>84 course</b></li> <li>Employee training hours Average <b>23.9 (hours/person/year)</b></li> <li>Budget for Personnel development <b>10 million baht</b></li> <li>Employees Engagement in Sustainable Development and CSR Activities <b>3,022 persons</b></li> </ul>	<p>Occupational Health and Safety</p> <ul style="list-style-type: none"> <li>Total injury rate <b>5 persons</b></li> <li>Death rate (Employee, contractors) <b>1 persons</b></li> <li>Training course <b>9 course</b></li> <li>Number of people who have received occupational safety and health training <b>1,478 persons</b></li> </ul>	<p>Teacher and Student</p> <ul style="list-style-type: none"> <li>Have knowledge in innovation and operating real estate business, a total of <b>1,106 persons</b></li> <li>Scholarships <b>127 persons</b></li> </ul>	<p>The elderly</p> <ul style="list-style-type: none"> <li>Knowledge and safety from repeated falls <b>59 persons</b></li> <li>Have knowledge in primary health care <b>60 persons</b></li> </ul>
	<p>Disabled</p> <ul style="list-style-type: none"> <li>Support employment for the disabled with <b>31 persons</b></li> <li>Construct / improve houses for the disabled to be strong and safe <b>6 houses</b></li> </ul>	<p>The patient</p> <ul style="list-style-type: none"> <li>Help blood deficient people of <b>2,400 persons</b></li> <li>Help patients with HIV at the amount of <b>90,169 baht</b></li> </ul>	
<p>Customer</p> <ul style="list-style-type: none"> <li>Have knowledge in primary health care <b>25,647 persons</b></li> <li>Reducing the burden of expenditure on consumer goods purchases of <b>25,647 persons</b></li> </ul>			

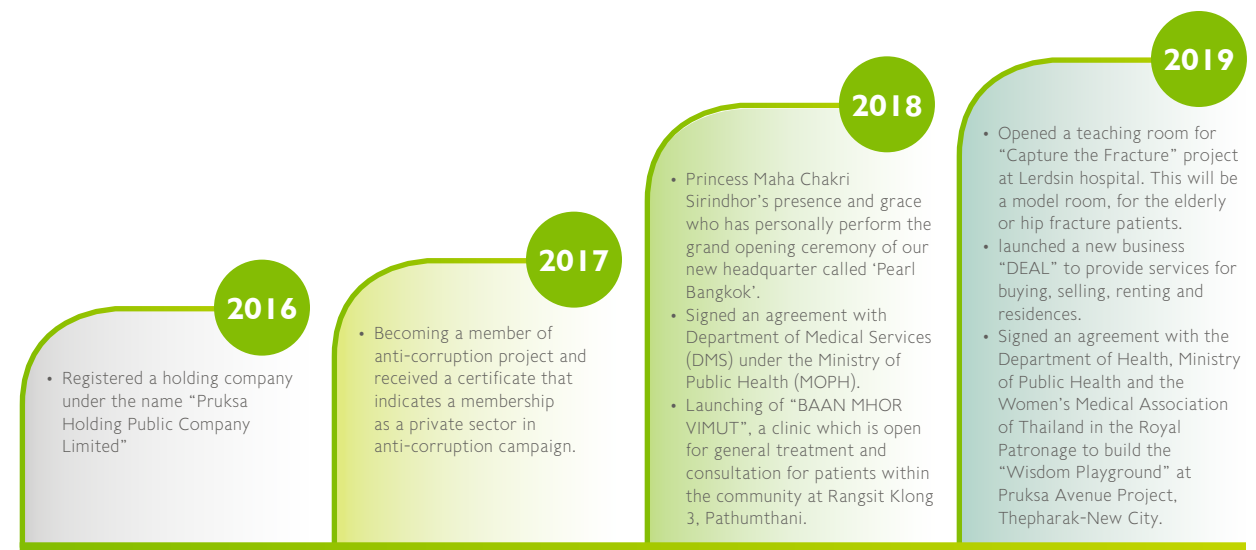
# About Pruksa Holding (GRI 102-2, GRI 102-6)



On March 16, 2016, Pruksa Holding Public Company Limited (“the company”) was registered as public company in order to operate Holding Company with initial registered capital of 10,000 baht to operate the business that mainly generates revenues from shareholding in other companies. Later, the Extraordinary General Meeting (EGM) 1/2016 had approved to increase in the Company’s registered capital from 10,000 baht into 2,273,217,600 baht by issuing new common stocks totaling 2,273,207,600 stocks at par value of 1 baht per stock to support the submitted tender offer and the issuance of warrant to buy common stocks of the company to be consistent with increase in the company’s registered capital. The initial trading in The Stock Exchange of Thailand was on December 1, 2016 under “PSH” name. The core business of the company is real estate development business for sale. The company shall maintain the proportion of real estate development business for sale which is the core business is not less than 75% of total assets of the company. After restructuring completion, Pruksa Real Estate Public Company is the subsidiary of the company that operates core business and generates main revenues from dividend acquired from shareholding in Pruksa Real Estate Public Company Limited and its subsidiaries and/or associated company which will be invested by the company in the future.

The company has executed the investment in hospital business and health service center through two subsidiaries, which are : (1) Vimut Hospital Holding Company Limited which is the company that operates the investment business in other companies, and (2) Vimut International Hospital Company Limited that operates the business of private hospital and clinic for patients. At present, it has been under business planning. **Therefore, revenues and overall operations have been mainly derived from real estate business group.**

## The Sustainable Development of Pruksa Holding (GRI 102-10)



- 2016**
  - Registered a holding company under the name “Pruksa Holding Public Company Limited” holding shares in “Pruksa Real Estate Public Company Limited” by performing a tender offer of ninety eight percent of Pruksa Real Estate Public Company Limited.
  - The company has increased its capital to 2,273,217,600 by issuing 2,273,207,600 new shares (1 Share values at 1 Baht)

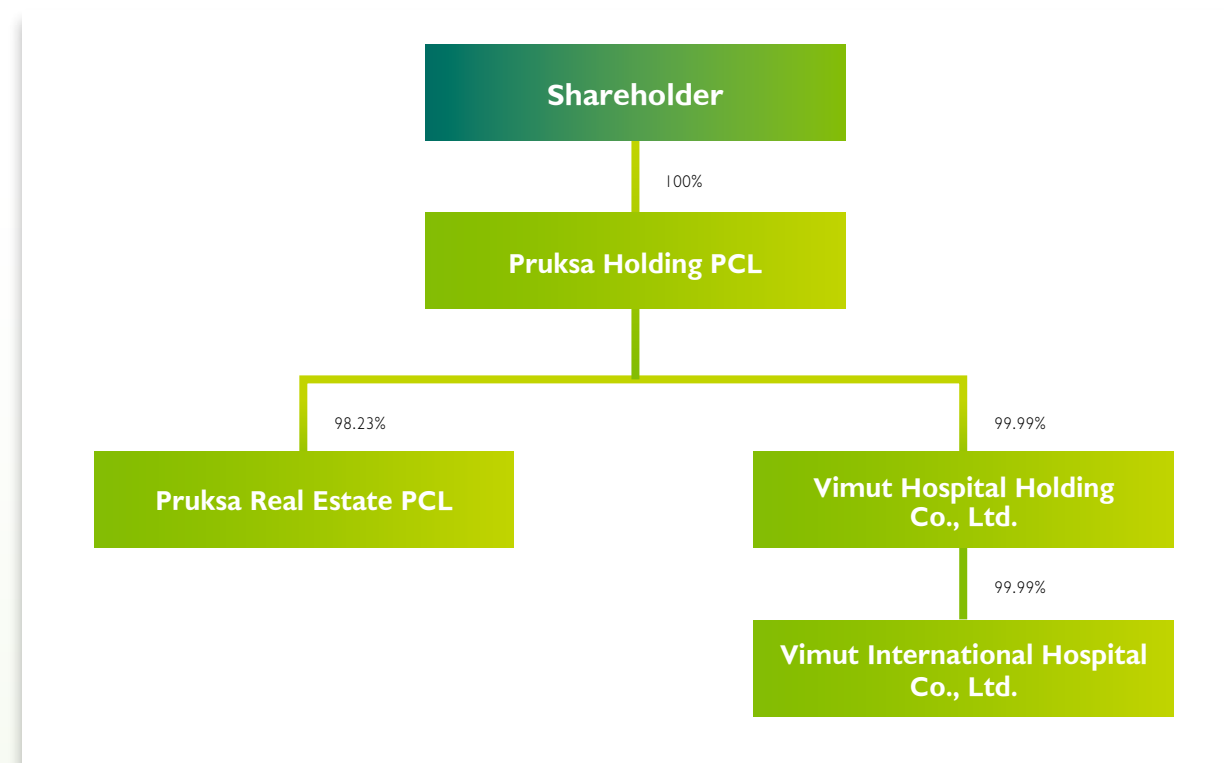
- 2017**
  - Vimut Hospital Holding Company Limited and Vimut International Hospital Company Limited both subsidiaries of the Pruksa Holding PCL changed their registered name respectively to Vimut Hospital Holding Company Limited and Vimut International Hospital Company Limited.
  - Received SET Sustainability Awards 2017 under the Rising Star category for the company with 30,000 - 100,000 million Baht asset. This is to honor the company as registered company that is outstanding towards sustainable development. Also, received the Thailand Sustainability Investment Award (THSI) for a “Sustainable share” for the second consecutive year. This is to honor the company with business operation that takes care all of the stakeholders.
  - Becoming a member of anti-corruption project and received a certificate that indicates a membership as a private sector in anti-corruption campaign. Also, organized a campaign called “We Pruksa say no to corruption” in order to create awareness and encouragement for all Pruksa people to work with transparency and work ethics.
  - Pruksa Real Estate PCL has issued 3 sets of corporate bonds value of nine thousand and five hundred million Baht.

- 2018**
  - Princess Maha Chakri Sirindhor’s presence and grace who has personally perform the grand opening ceremony of our new headquarter called ‘Pearl Bangkok’. It is indeed a day we all at Pruksa would cherish and forever be thankful for.
  - Received the “Drive Awards 2018” under the Finance category from the MBA Chula Alumni Association, Chulalongkorn Business School by the excellent performance with good governance along with taking good care of shareholders and suppliers.
  - Signed an agreement with Department of Medical Services (DMS) under the Ministry of Public Health (MOPH) in an academic research on building and providing the sufficient and safe environment for elderly people with the aim to decrease the injuries and accidents caused by insufficient and improper environment.

- Received the Thai Chamber of Commerce Best Awards 2018 by Thai Chamber of Commerce. By being a company that operates with transparency, accessibility to information and responsibility towards the customers and suppliers. Also, operating business with fairness to all the stakeholders along with corporate social responsibility programs and good governance practice within the company.
- Received the Sustainability Awards 2018 (for the second consecutive year) as an Outstanding company and the Thailand Sustainability Investment 2018 (THSI) award for the third consecutive year.
- Received the Sustainability Report Awards 2018 (for the third consecutive year) under the Recognition category.
- Launching of “BAAN MHOR VIMUT”, a clinic which is open for general treatment and consultation for patients within the community. It is an outreach business from Vimut Hospital. The first pilot clinic is at Rangsit Klong 3, Pathumthani Province which is considered to be a big community with many Prukasa’s projects.

- The company was awarded for “International Quality Management Award” under Diamond category as an organization that is outstanding in promoting the corporate culture of quality conscious as well as developing new innovations and new technology used in the housing construction for continuous excellence.
- The company together with the Department of Medical Services, Ministry of Public Health opened a teaching room for “Capture the Fracture” project at Lerdsin hospital. This will be a model room, for the elderly or hip fracture patients, with various devices and modern innovation installed to help facilitate the elderly.
- The company was awarded for best company of Thailand economic driver “Drive Awards 2019” for the 2<sup>nd</sup> consecutive years under Property & Construction category for outstanding performance of the company together with environmental sustainability in the past year as well as good corporate governance as well as attention to shareholders and supplier.
- The company was honored with “CAC Change Agent Award” from Thailand’s Private Sector Collective Action Coalition Against Corruption: CAC for being transparent business throughout supply chain which reflects the company’s sustainable standpoint in solving the corruption problem and refusing to pay all forms of bribes.
- The company launched a new business “DEAL” to provide services for buying, selling, renting and residences by using the digital platform to develop AI Matching system. In order to provide a residence to meet the needs of customers, a trading unit management and data management system will be used to retrieve real-time data anywhere, 24 hours a day.
- The company was awarded “National Innovation Award 2019” in National Innovation for Economy Contributions under the Large Business category for innovative works that benefit a variety of economics and society.
- The company was selected to be in ESG100 Company Group for 2019 (Environmental, Social and Governance: ESG) for the 3<sup>rd</sup> consecutive years from Thaipat Institute.
- The company was awarded Thailand Sustainability Investment 2018 (THSI) for the 4<sup>th</sup> consecutive years for continuously conducting business in a sustainable manner, caring for the environment, society, and corporate governance (Environment, Social, Governance: ESG).
- Prukasa along and Vimut hospital together with Department of Health, Ministry of Public Health and Women’s Medical Association of Thailand in the Royal Patronage signed an MOU for academic cooperation in accordance with educational principles (MBL: Mind-Based Learning) to build “Wisdom Playground” in Prukasa Avenue Teparak-Don Mueang for children in early age 0-8 years for brain, physical and emotional development, as well as helping children to think critically and create social discipline while participating in the community.
- The brand “Prukasa” was awarded the global World Branding Awards or “Brand of the Year” in the category of Property Developer. This prestigious award is considered a success of the brand, reflecting the popularity and consumer acceptance of Prukasa brand.

## Shareholder Structure (GRI 102-5, GRI 102-45)



## Vision Mission and Goal (GRI 102-16)



### Vision

Prukasa Holding emphasizes in creating maximum satisfaction for customers, inventing and developing products and services that continuously meet the modern lifestyle as well as drive the business to grow sustainably.



### Mission

Prukasa Holding aims to create products and services that enhance the quality of life, continuously invent and develop innovation that meet the modern lifestyle and contribute to create sustainable value for customers and stakeholders. Including creating good opportunities to the societies and communities, preserve and take care of to the environment under good corporate governance to create sustainable mutual growth.

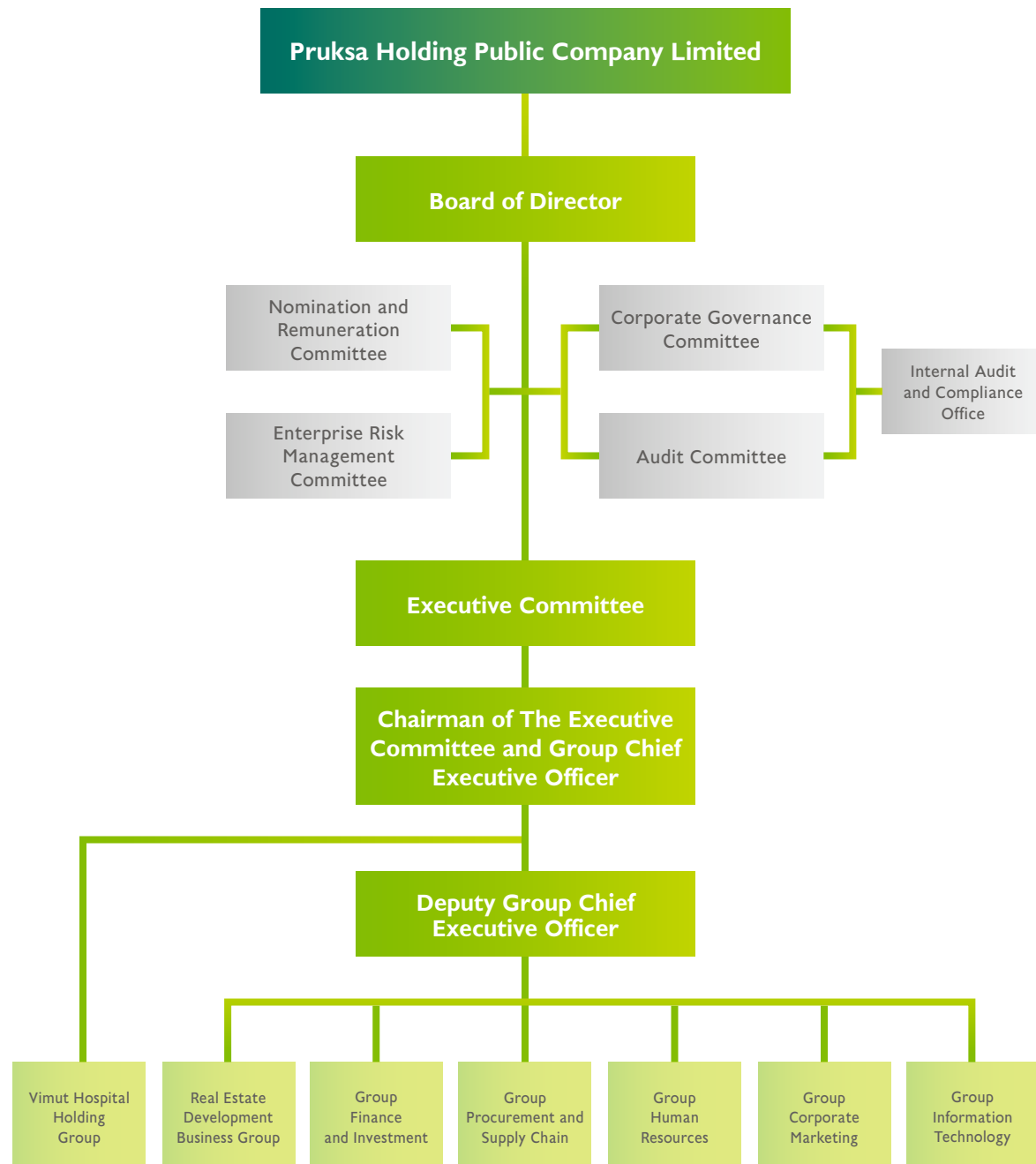


### Goals and Business Strategies

1. Expand core business in real estate for sale and expand customer base to new revenue customers base
2. Strengthen businesses that support the real estate business to enhance brand strength and maximize customer satisfaction.
3. Expand investment to new business that generates recurring income.
4. Emphasizes on the development of the organization with professionalism with good corporate governance that have responsibility to the society, environment, and stakeholders for sustainable mutual growth.

## Management Structure of Pruksa Holding Public Company Limited

As of 31<sup>st</sup> December 2019 (GRI 102-18)



## Sustainable Business Strategy of Pruksa Holding

The company has clearly defined business strategy for sustainability and earnestly put into practice within the organization by specifying Strategic Initiatives as follows : (GRI 103-1)

### Portfolio Management

To manage business growth while simultaneously managing risk for each product group to be in accordance with the growth of the property market; in order for the company to be able to adjust to the economic situation in a timely manner.

### Quality Excellence

To improve product and service quality, an important factor in creating sustainability for the business of the company.

### Strengthen Partnership

To improve the competency and capability of the contractor, who is an important business partner, to be able to grow along with the company sustainably.

In the year 2019, the company has assigned the Top Management in each related line of work to be responsible for the implementation of the aforementioned strategic plan and specified as KPIs; from the Corporate KPI level, the Top Management KPI level to the operational levels of each related line of work to ensure that the strategic plans are fully effective. (GRI 103-2)

The implementation of the strategic plan in 2019 have achieved satisfactory results; where the results of operational KPI is at 88.72% creating a positive impact to the organization, both in terms of reducing customer complaints and developing contractors to become major contractors which allow the company to be able to decrease defect rate per unit. (GRI 103-3)



results of operational KPI **88.72%**

## Risk and Crisis Management (GRI 102-11)

In 2019, the company faced many challenges in risk management such as Loan to Value (LTV) supervision measures issued by the Bank of Thailand, which has been in effect since April, causing financial institutions to become more stringent in providing loans for housing, this resulted in the real estate market having a tendency to contract. In addition to that, there were other risk factors that may affect company's operations. With awareness of the importance of risk management in order to achieve the objectives and create added value for the organization, shareholders, society, communities and other groups of stakeholders, the company therefore continuously assess those risks associated with the business strategy planning, by considering the uncertainties of both internal and external factors that may affect business operations and organizational goals at all time, in order to look for opportunities which help the company achieve its business goal for sustainable growth.

(GRI 103-1)

### Organizational Risk Management Process

The company continuously develops risk management systems based on COSO and ERM frameworks, as well as establishing risk management policies at the organizational level as a framework for risk management within the organization. These policies are reviewed annually by the Risk Management Committee and the latest revision has been in effect since 27 June 2018.

In each year, risks that will affect the target according to the business plan are analyzed and evaluated and appropriate risk control measures are then determined. This also includes the integration of risk management processes with the work process of the organization by developing a Control Self-Assessment (CSA) system to evaluate the adequacy of the designed control that is in line with the work process, as well as continuous compliance with internal control systems. The internal control of the department is appraised and improved by the process owner according to the plan as a guideline to prevent or reduce risks that may occur from work or other factors that affect work, which may lead to failure in achieving the determined objectives.

The company developed a Business Continuity Management System (BCMS) to address the risk of significant process disruptions, based on the international standard ISO 22301: 2012 (Business Continuity Management Standard). The internal risk management plan is communicated to achieve consistent implementation throughout the organization and there are also processes to follow up and report the risk management results to the Organization Risk Management Committee, Audit Committee, and Board of Directors for review. This is to ensure continuous improvement and to ensure that the risk management is effective and that the company is able to respond to all aspects of business risk in a timely manner.

(GRI 102-12)

In addition, the company also participates in corruption risk assessment under "Private Sector Collective Action Coalition Against Corruption Program (CAC" organized by Thai Institute of Directors (IOD). In 2019, the company assessed risks associated with corruption in overall aspect of real estate and hospital business group.

## Risk Analysis and Assessment Procedures according to Internal Risk Management Process (GRI 103-2)

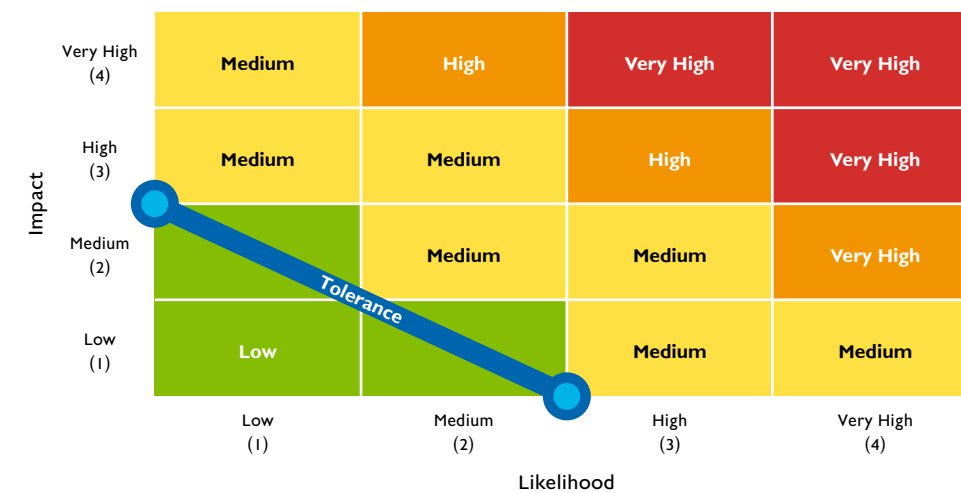


- Objective Setting** : refers to the defining of objectives at the organizational levels or business lines that are consistent or in line with the Company's main policies and goals, and its vision and mission. The risk management plan must be in consistent with and support the objectives.

With regard to this, for an organization to achieve its objectives, it should operate under the acceptable level of risk (Risk Tolerance) to ensure the management that organization's performance is within criteria or type of risk that is acceptable (Risk Appetite).

- Determining the Risk Rating Scale** : to assess risk likelihood and degree of impact.

### Risk Map



### Risk Response Guidelines

Definition of Colors		Risk Management Guidelines
Red	Very high risk	Very highly important risk, must be managed <b>immediately</b>
Orange	High risk	Highly important risk, must be managed <b>urgently</b>
Yellow	Medium risk	Important risk, must be <b>monitored regularly</b>
Green	Low risk	Low important risk that is acceptable to executives

According to the risk diagram, while the risk in the green area (Low risk) is acceptable, the Company must establish a risk response plan for the risk identified in yellow, orange and red areas of the diagram (medium, high and very high risk) as they are considered an unacceptable levels of risk.

- **Risk Identification** : is an identification of risk and its causes or factors, by considering various factors, both internally and externally, that affect the organization's target using risk management framework. This includes making risk management plan by considering both short-term and long-term business risks and likelihoods. This covers 4 types of risk.
- **Reporting and Monitoring** : effective risk management plan requires that the result must be reported and the plan must be improved, allowing management to review the status of risks to be able to make effective decisions in time.

Risk monitoring is categorized into 2 forms which are:

1. **Risks monitoring using the progress of the risk management plan** : the risk owner is the one who monitors whether the risk management plan has been implemented in accordance with the determined plan and the specified timeframe. The risk owner then has to re-evaluate the likelihood and impact of the risk to ensure that the risk level is reduced to an acceptable level. In the event that the risk level is still higher than the acceptable level, the owner must set up additional measures to manage risks.
2. **Risk monitoring using Key Risk Indicators (KRIs)** : this is an early warning before that risk occurs or before it creates severe impact on the organization. This involves determination of risk tolerance that shall be closely followed and it can be either leading or lagging indicators.

## Risks Associating with Pruksa Holding (GRI 102-15)

### I. Strategic Risk

Risk Issue	Risk Management	Result <small>(GRI 103-3)</small>
Being a company that operates its core businesses by holding shares of other companies.	Establish a committee consisting of experts and report to senior management team to consider investment in a subsidiary using feasibility study.	<ul style="list-style-type: none"> <li>- Pruksa Holding Public Company Limited was established in 2016.</li> <li>- Vimut Holding Hospital Company Limited and Vimut International Hospital Company Limited were established in 2017.</li> </ul>
Real estate market conditions	Using a comprehensive sales strategy through Sales Excellence to reach the target group more precisely and using existing customers to recommend others or recommend through Pruksa Memberships.	Increasing number of Pruksa Member in 2019.
Changes in credit policies of commercial banks	<ol style="list-style-type: none"> <li>1) Extending the down payment terms and launching the project faster, as well as expanding the products ranges to cover all customer groups.</li> <li>2) Submitting preliminary approval request for bank loan, as soon as the customer expresses interest for residence and requires loan, to reduce the risk of both the customers and the company. In addition, the company also offers a wide range of residences to choose from, so customers are able to choose lower-priced housing to comply with the regulations or policies of each commercial bank at different times.</li> </ol>	% Bank Rejection < 6%

Risk Issue	Risk Management	Result <small>(GRI 103-3)</small>
Higher construction costs and lacking construction materials	<ol style="list-style-type: none"> <li>1) Setting up bidding process to select main construction material suppliers for stable construction cost throughout the year.</li> <li>2) Developing partnerships by determining clear selection, supervision, evaluation as well as operational guidelines.</li> <li>3) Arranging session to report changes in prices of major construction materials on a monthly basis, as well as calculating the effect on the cost of sales to consider changing sale price or procuring substitute materials.</li> <li>4) Using Ready-to-move-in policy instead of construction by order to plan the construction and to order materials in advance.</li> </ol>	The cost of real estate sales (COGs) for the year 2021 was estimated at 64.9%, which was within the range specified by the Company.

### 2. Operational Risk

Risk Issue	Risk Management	Result <small>(GRI 103-3)</small>
Potential slippage of hospital construction project	<ol style="list-style-type: none"> <li>1) Hiring building designers and consultants with expertise and experience in building design and hospital construction supervision, in order to estimate the appropriate time for the construction.</li> <li>2) Consider buying insurances prior to the construction phase to cover the risk of damage that may occur with the said construction project.</li> <li>3) Consider setting conditions for the main contractor, by determining penalties for construction, in the event that the construction fails to complete according to the timeframe specified in the contract.</li> </ol>	The construction is in accordance with the project launch plan in 2020.
Safety in the construction project	<ol style="list-style-type: none"> <li>1) Determining standards of work with high risk and enforce them on every project.</li> <li>2) Person responsible for the project according to the law examines equipment readiness and operation in accordance with the specified standards.</li> <li>3) Monitoring of contractors' operations to assess work efficiency.</li> </ol>	Received renewal of The Occupational Health and Safety Management System Certification (OHSAS 18001: 2007). <small>(GRI 102-12)</small>
Shortage of workforce	Using turnkey contractors for the construction of a high-rise building or condominium, as well as establishing partnerships with contractors with outstanding quality of work to reduce the risk of capacity expansion or construction.	100% use of turnkey contract in high-rise projects.

Risk Issue	Risk Management	Result <small>(GRI 103-3)</small>
Lack continuous development of personnel	1) Developing personnel's expertise in all areas, promoting job rotation for cross-career development to be able to work as a substitute. 2) Establishing policies related to career advancement for employees, providing opportunities for talented employees for equal opportunities to grow by creating tools and career path, as well as setting in place a system to support and create readiness for employees to develop themselves for growth in their career along with business growth.	The result of employee engagement survey in learning & development aspect improved by 2.8% from 71 points in 2017 to 73 points in 2018 (*there was no employee engagement survey 2019).
Information technology risks	Having regular drills according to Disaster Recovery Plan (DRP) for the main system every year, in preparation for risk event causing damage to the main system, leading to business interruption.	Able to achieve 100% drills for main system according to plan.

### 3. Financial Risk

Risk Issue	Risk Management	Result <small>(GRI 103-3)</small>
The company's ability to pay dividends relies on the dividends received from subsidiaries and associated companies	Affiliates of Vimut Hospital are still unable to pay dividends to the company, as they are now in the investment and construction periods and are expected to take another 2-3 years until the construction is completed and ready for operation, as well as earning enough profits for dividends. Therefore, during this period income and profits will be generated from Pruksha Real Estate Public Company Limited, which operates real estate business and has relatively stable income, consistent profits and good business performance to be able to pay dividends to all shareholders of the company.	Paying not less than 50% of the net profit of the PSH Group's operations (from the consolidated financial statements) after deduction of all various reserves required by law.

### 4. Compliance Risk

Risk Issue	Risk Management	Result <small>(GRI 103-3)</small>
Conducting business under strict laws	1) Complying with the rules, regulations and requirements determined by authorized government agencies, as well as complying with recommendations or orders from government agencies or other central agencies until being accepted by both customers and shareholders. 2) Using the principles of good corporate governance to fully protect company and shareholders' interests.	In 2019, there was no event of damages from litigation in relation to requests for permission to proceed from the government with penalties of imprisonment of more than 1 year or fines or expenses in the settlement of more than 100,001 baht per case.

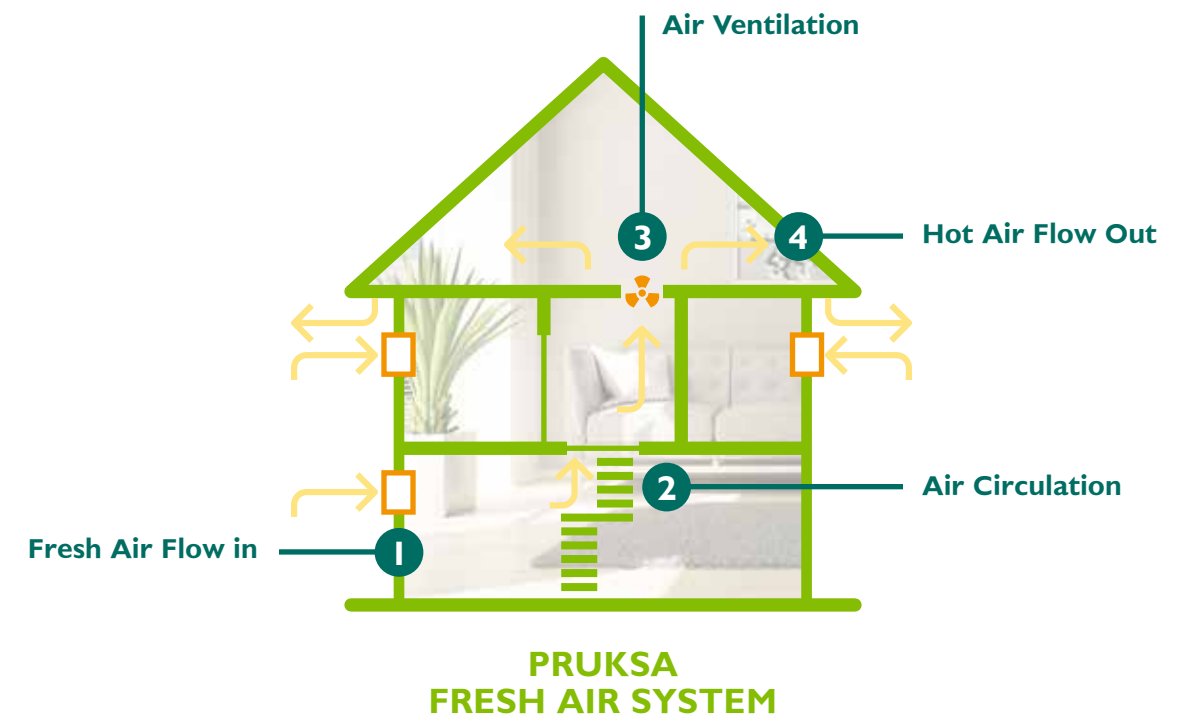
### Risk from Climate Change (GRI 201-2)

In 2019, the company has a process to assess the risk from climate change that may affect business operations and has set strategy and risk management plan used to track progress through various projects.

The company applies the enterprise risk management to analyze risk and the likelihood arising from various cases of climate change, especially towards information technology and market trends, as well as towards social trend that is focusing on environmental care and rehabilitation. The company, therefore, has specified risk monitoring and corrective measures, in order to report the progress of project implementation on a regular basis based on the specified cycle and to set clear goals as frameworks for operation from 2020 onwards. This is to ensure that the company will be able to effectively respond to risks and changes that occur in various situations. In addition, the company has brought modern innovations that are in harmony with current consumers' lifestyle into the development of various projects as follows :

- Pruksha Fresh Air System** is an innovative ventilation system within the house and roof hall, allowing the acceleration of ventilation mechanism and effectively blow away indoor heat and helps reduce the temperature and energy consumption. This also helps the house to be ventilated to a level that helps reduce the accumulation of various indoor pollutants and humid air that causes allergies by using cold air to expel hot air and incur the "Breathing house". This consists of 4 steps to make the system work efficiently.

- Fresh Air Flow in :** allowing the air from outside to get into the house through windows or doors.
- Air Circulation :** opening different indoor areas to ensure free flow of air without obstacle from the ground floor to the upper floor.
- Air Ventilation :** blowing used air out of the roof using ventilators.
- Hot Air Flow Out :** ventilating hot air from the absorbed area out of the house.



- **Designing high-rise project using the principle of “Green Building”:** the company takes into account the importance of environmental changes. High-rise projects, therefore, have been designed with environmental awareness and effective use of resources, starting from choosing the project location to utilizing buildings to reduce the impact on the environment, reduce pollution, reduce energy and water usage and to promote the quality of life of the resident.
- **Using “GREEN Solar Cell System”:** the company innovatively installs solar cell panels in the central rest area of the project to reduce energy usage in areas such as central rest area and to operate wastewater treatment system in the project.

## Emerging Risk

The company is well aware of emerging risks that may arise and seriously affect or create new business expansion opportunities for the organization, thus addressing those emerging risks that may occur in the future as follows :

Risk Issue	Risk Management
Risk from Personal Data Protection Act	The company has studied the act and organized basic training for all executives and employees. The company also appoints a working group to ensure that its operation complies with the law that will be in effect in 2020. This is to ensure the improvement of competitiveness and the ability to continuously develop the system of the company moving forward.
Risk from Land and Building Tax Act	At present the Group CFO is tasked to closely monitor and analyze relating data to set strategy and to prepare to deal with the act.

## Emergency Response

The company appoints BCM coordinators in each department to act as an agent for conveying necessary information relating to emergency response such as what employees must do, important phone number, alternate work location, and important changes each year. The company also realizes the importance of developing a business continuity management system linking the entire business along the value chain, and has set in place international standard management system for various situations that may occur and cause business disruption. Therefore, in 2019 the Board of Directors had a directive to establish a business continuity plan as follows :

1. **Head Office :** conducting drills for IT Disaster Recovery Planning (IT-DRP) in the main system in preparation for emergency event, simulating the situation when the head office is on fire and the internet server is offline, and when the important work system was hacked by malicious hackers. This is to ensure that responsible persons are able to work according to the emergency response plan and to test communication under such circumstances. The total 52 participants, consist of executives whose key responsibilities are to direct information technology personnel who restore system and system users. This is to ensure that the backup system can be used uninterruptedly.

2. **Project under Construction :** there are simulations of potential emergency situations that may occur to construction projects such as fires and community protests. This refers to the drills on Emergency Response Plan (ERP) together with the Business Continuity Plan (BCP) to ensure that employees working at the construction project are prepared to deal with emergencies that may occur as specified in the training plan. In 2019, 20 projects were chosen to conduct the drills, by the resolution of the Occupational Health and Safety Committee, as a representative of sub-business group and there were total number of over 200 executives, employees, and contractors participating. In the future, the company plans to develop and improve the business continuity management system of its Precast Concrete Factory, aiming for international standard ISO 22301: 2012 to build confidence for Stakeholders in all sectors.
3. **Vimut Hospital and Baan Mhor Vimut Clinic :** the backbone system of hospital and clinic operations include medical information technology systems such as HIS Hospital information system. Baan Mhor Vimut Clinic has set in place BCP for IT in the event that the systems fails. This also includes practicing before incident, creating action plans, using the call tree system, activating manual system, and creating post-incident reporting plans. Clinic personnel and IT staffs have already practiced these according to the procedure.

## Promoting Risk Management Culture within the Organization

The company pays its attention to creating risk culture within the organization (Risk Culture). Since risk management is crucial for all levels of personnel, from the board of directors, executives, to all employees in the organization, everyone needs to cooperate and act seriously and continuously until it becomes the corporate culture. The Risk Management Committee is tasked to determine policies, frameworks and guidelines, to suggest important opinions for executives and employees to follow, and to monitor the progress of the operations regularly. The company also communicates and provides risk management knowledge, by disseminating knowledge on risk management emergency / crisis management and business continuity management, as well as various movements both inside and outside the organization, via the Risk Portal, a website for searching information relating to risk management within the organization. This also includes articles or analysis of overall movement trends of the residential real estate market from various reliable external analysts or financial institutions, so that employees are able to learn more about risk management.

In addition, the company has supported its employees, from operation level to top management level, to attend risk management training courses from 2017 onward; for example, the company assigned one employee to participate in the Risk Management Program for Corporate Leader-RCL training organized by the Thai Institute of Directors (IOD) of the organization's risk management committee. In 2019, the company had provided trainings based on Emergency Management Plan (ERP) and Business Continuity Plan (BCP), for construction projects, to operational employee level. This is a partial exercise training where there are 200 employees participated.

Vimut Hospital also supports the risk reporting culture within the organization. Every level of employee working at Baan Mhor Vimut Clinic, which opens everyday, is able to submit incident report via QR Code / Google Form. Then, the system will send automatic notifications to relevant team and executives (when it is a sentinel event) immediately.

## Corporate Governance

### Corporate Governance Policy and Business Code of Conduct (GRI 103-1)

Pruksa Holding places importance and implement in accordance with good corporate governance policy that hold international standards and is in line with the Corporate Governance Code for Listed Companies for the year 2012 of the Stock Exchange of Thailand, The Corporate Governance Code for Listed Companies 2017 (CG Code) issued by the Office of the Securities and Exchange Commission and the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard). The company sees that operating business under good corporate governance principles will create management system that is fair, transparent, able to generate returns and increases long-term value for shareholders; including building confidence for all stakeholders. Moreover, this helps supports and promotes the company's competitiveness to grow forward and lead to sustainable development.

The Board of Directors has announced the implementation of good corporate governance policy in order to be a guideline for directors, executives, and employees at all levels to implement since 2016. The company has as well reviewed the good corporate governance practices annually and follow the development of corporate governance and good practice guidelines, both domestically and internationally, from leading organizations or companies; with the purpose of ensuring that the policies is modern and in accordance with the company's goals and strategies. Such is done to maximize the benefits for shareholders and all groups of stakeholders, as well as bring about success in business operations. The company's good corporate governance principles are categorized into 7 categories, which are :

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

Note : Please see more details in Annual Report 2019 under Principles of Good Corporate Governance of the Company

## Business Code of Conduct (GRI 102-16)

The company is committed in developing business to advance forward that based on operating with transparent, moral and responsibility to shareholders, customers, employees and all stakeholders; under the principles of good governance with maintaining the Company's Code of Conduct as a clear and comprehensive practice guidelines in all aspects; up to date with current events, appropriate and in line with management of good corporate governance as recommended by the Stock Exchange of Thailand. In order to ensure that the performance of directors, executives, and employees is standardized; maintained quality, ethics and is accepted by all related parties.

All directors, executives, and employees have the duties to practice in accordance with the code of conduct with understanding, accepting, believing, being cautious and avoiding any unethical behavior, whereby directors, executives and employees shall behave a good role models; and shall strictly adhere to.

Moreover, for sustainable growth and to maximize the satisfaction of all stakeholders along with social responsibility, the company therefore maintains Pruksa Sustainable development Policy under corporate governance and good governance; that will help create economic value, reduce environmental impact and help improve the quality of life and well-being of people in the society while also being a part to help drive the society towards Sustainable Development Goals (SDGs).

(GRI 103-1)

### Process of Monitoring and Guidelines for Managing Practice to be in Accordance with The Business Code of Conduct in 2019 (GRI 103-2)

P0	P1	P2	P3	P4	P5	P6	P7	P8
Accepted complaints which will be separated into categories	Initial data check	Verify the Fact	Discipline	Penalties	Communicate	Compensation - litigation	Report the results to the Corporate Governance Committee and the Audit Committee	Close the case

The company maintains a policies for executives and employees to disclose conflicts of interest transactions, in order to prevent executives and employees from utilizing their positions to interfere with the discretion of judicial processes; which may lead to the abandonment of morals in performing duties, lack of independence, neutrality, transparency and fairness that will impact the common interest.

In the year 2019, there were 2,962 executives and employees participating in the disclosure of conflicts of interest (out of 2,972 employees), representing 99.66%, divided into 425 executives and 2,537 employees. (GRI 103-3)



Executives and Employees Participating in The Disclosure of Conflicts of Interest **99.66%**

# Pruksa Holding's Sustainable Development

## HEART TO HOME

At **Pruksa, "Home"** is what we want everyone to have  
 Because...Home is the happiest place of live  
 Because...Home is life's investment  
 Home is place filled with happiness, Warmth and worry free.  
 Therefore, it is Pruksa's responsibility and pride to dedicate and ensure the best quality product for the customer.  
 Moreover, being a leader in developing innovation and technology consecutively to strive for the best has always been the top priority along with delivering happiness and well-being to thai people  
**Along with providing positive opportunity for society and community and taking care of the sustainable environment.**



## Stakeholders Engagement (GRI 102-40, GRI 102-42)

The company respects the rights of all stakeholders by specifying guidelines in the company's code of conduct; to ensure that any legal rights related to stakeholders will be treated fairly and equally. The company as well places importance on creating cooperation among stakeholder groups in accordance with the roles and duties in order for the operation of the company to be fully efficiency and effectiveness in providing fair benefits to all stakeholders.

The company has evaluated and prioritized the importance of the stakeholders by using the criteria from the impact of stakeholders on the company. Such evaluation and prioritizing is done in a descending order which includes employees, executives, customers, supplier/ counterparties, creditors, community and society, shareholders and competitors; in order to create a guideline that responds to the expectations of each group of stakeholders through effective communication channels to create the highest satisfaction for stakeholders.



## Guidelines for Treating and Responding to Stakeholders (GRI 102-41)

Stakeholders (GRI 102-42)	Communication and Channels (GRI 102-43)	Stakeholder Expectations (GRI 102-44)	Action for Stakeholders (GRI 102-44)
Employees/ Executives	<ul style="list-style-type: none"> <li>Internal Online :                             <ul style="list-style-type: none"> <li>Intranet : Prukša Gateway</li> <li>Digital Signage Screen in front of the elevator</li> </ul> </li> <li>Line@ : pruksacg and Prukša Engagement</li> <li>Email : cg@pruksa.com and srm@pruksa.com</li> <li>Meeting/ Organize events for executives and employees to meet.</li> </ul>	<ul style="list-style-type: none"> <li>Welfare and financial aid such as wedding gifts, scholarship, Get well gifts in case of illness and has been admitted into the hospital, financial aid in the event of a natural disaster, death benefit and wreaths to pay respects in the event of an employee, spouse or parents of employee pass away.</li> <li>Health insurance and life insurance such as annual employee health check up, Group health insurance and group accident insurance; which employees at the same level (separated by band) will receive equal benefits without discrimination by gender, race, age and religion. The protection covers the employees, their spouses and offspring.</li> <li>Housing welfare: Receiving special discount in the case of buying houses, townhouses, condominiums of the Company.</li> <li>Funds such as provident funds, Social Security Fund, Compensation Fund for illness/ injury from performing work.</li> <li>Other benefits such as commissions, Scholarships for children, Fitness &amp; Sport club, Monthly phone bills, making employee uniform fee (universal suit), reward for employees who have completed 10 years and 20 years, annual leave, military leave, maternity leave, movie tickets or gift vouchers for birthday purchases, etc.</li> </ul>	<ul style="list-style-type: none"> <li>The company treats all employees equally regardless of gender, nationality, race, religion or belief.</li> <li>The company is responsible for maintaining work environment to be safe for employees' life and properties at all times. The Company as well strictly adhere and practice in accordance with the labour Laws.</li> <li>The company has a policy to provide compensation which is in line with the company's performance both short-term and long-term. Such will be considered from the ability to make a profit in each year and the performance evaluation in accordance with the Balanced Scorecard. The compensation policy includes employee benefits such as provident funds in order to save and create security for employees and their families as well as employees will receive tax benefits. The amount of this contribution depends on the willingness and employment age of the employee. The employee's cumulative rate and the company's contribution rate is between 5-10 percent, welfare for the purchase of housing, Social Security Fund, Fitness &amp; Sport Club, compensation fund in case of illness / accident due to work, get well gift in case of illness and has been hospitalized, including financial support in the event of natural disaster and financial support for the expenses on a wreath to pay respect to the deceased.</li> <li>Employees are protected from harassment from disclosure or transfer of personal information to unrelated parties; unless such action is in accordance with duties, in good faith or according to law for the common good.</li> </ul>

Stakeholders (GRI 102-42)	Communication and Channels (GRI 102-43)	Stakeholder Expectations (GRI 102-44)	Action for Stakeholders (GRI 102-44)
Customers	<ul style="list-style-type: none"> <li>Telephone : Prukša Contact Center 1739</li> <li>Websites : www.pruksa.com and</li> <li>Prukša Live Chat through www.pruksa.com</li> <li>Facebook : Prukša Family Club</li> <li>Letter to : Group Chief Executive Officer or Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Conduct a Visual Questionnaire for collecting customer data through electronic devices and record data at all stages with CRM systems that was developed to support the storage of customer databases</li> <li>Organize activities to build good relationships with member with the Prukša Member project. The member can generate their income by referring friends to buy properties from the Company.</li> <li>Receive benefits from activities, products and services from stores or famous brands according to the demand and lifestyles of customers and member.</li> <li>Ongoing research and product development in order to deliver housing in accordance with the demand of customers.</li> <li>Build confidence and trust in collecting customer data with efficient data collection systems.</li> </ul>	<ul style="list-style-type: none"> <li>Creating good relationships and bonds with customers both short and long term that leads to confidence, satisfaction, and word of mouth for products and services from the company.</li> <li>Allocation of benefits, activities, products and services that meet the demand ; in order to help pass on value to customers for a more comfortable and perfect living</li> <li>Create a system for storing customer data into quality, accurate and up to date databases that can continuously and efficiently communicate the benefits and activities to customers.</li> <li>Maintain customer information and confidentiality by not using the information in a wrongful way except that it must be disclosed to relevant third parties in accordance with the provisions of the law.</li> </ul>
Suppliers / Contractors	<ul style="list-style-type: none"> <li>Telephone : Prukša Contact Center 1739</li> <li>Website : www.pruksa.com/ whistleblowing-disclosure</li> <li>Line@ : pruksacg</li> <li>Email : cg@pruksa.com and srm@pruksa.com</li> <li>Letter to : Group Chief Executive Officer or Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Equally held competition on information.</li> <li>There are criteria for evaluating and selecting suppliers and contractors.</li> <li>Prepare suitable contract forms</li> <li>Provide management system and follow up to ensure that the system has been entirely implemented in accordance with the terms of the contract; and prevent fraud and misconduct at every step of the procurement process.</li> <li>Payment made to suppliers and the contractors shall be punctual and in accordance with the agreed payment terms.</li> </ul>	<ul style="list-style-type: none"> <li>The company provides opportunities for suppliers, vendor/ contractor/ lessor which hereinafter referred to as the partner. Everyone will have to bid and propose their lump sum price, offering price for materials and equipment or accepting designs work from the company with transparency, fairness, disclosure and fair to all suppliers.</li> <li>The company is committed to developing and maintaining lasting relationships with suppliers and contractors which held clear objectives regarding the quality of products and services that are worth the price, technical quality and mutual trust.</li> </ul>

Stakeholders (GRI 102-42)	Communication and Channels (GRI 102-43)	Stakeholder Expectations (GRI 102-44)	Action for Stakeholders (GRI 102-44)
		<ul style="list-style-type: none"> <li>Organized the Supplier CG's Day activity to invite suppliers to join the coalition in declaring their intention to fight against corruption and adhere to the business operations that are in accordance with the principles of morality and ethics; including conducting business with principles of anti-corruption in all forms.</li> </ul>	<ul style="list-style-type: none"> <li>All executives and employees are prohibited to accept any benefits in private from suppliers and contractors, whether directly or indirectly.</li> <li>Issuing letters to brokers, suppliers, and financial institutions which state that the company has refrained from accepting gifts and offerings and the company has a policy of not accepting financial support from financial institutions of any form.</li> <li>Shall not be involved in procurement with suppliers or contractors that have a relationship with oneself, such as family member or relatives or owning the business or being a partner in that business.</li> <li>Shall not use the information that is known as a result of procurement for personal or others' benefits.</li> </ul>
Creditor	<ul style="list-style-type: none"> <li>Telephone : Pruksa Contact Center 1739</li> <li>Website : www.pruksa.com</li> <li>Facebook : Pruksa Family Club</li> <li>Line@ : pruksacg</li> <li>Email : cg@pruksa.com</li> <li>Letter to : Group Chief Executive Officer or Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Repay debt to the creditor on time, in accordance with the conditions stipulated in order to prevent default payment.</li> <li>Strictly comply with the conditions specified by creditors.</li> </ul>	<ul style="list-style-type: none"> <li>Repay debt to the creditor on time, in accordance with the conditions stipulated in order to prevent default payment.</li> <li>In the repayment of loans, interest, and responsibility for collateral or guarantees, the Company strictly adheres to agreements or conditions agreed.</li> <li>When there are significant events that may materially impact the financial status and may impact the debt that is to be paid, the company will manage the funds by notifying the creditors in order to jointly find ways to prevent or remedy the damage.</li> </ul>

Stakeholders (GRI 102-42)	Communication and Channels (GRI 102-43)	Stakeholder Expectations (GRI 102-44)	Action for Stakeholders (GRI 102-44)
Community and Society	<ul style="list-style-type: none"> <li>Telephone : Pruksa Contact Center 1739</li> <li>Website : <a href="https://www.pruksa.com/whistleblowing-disclosure">https://www.pruksa.com/whistleblowing-disclosure</a></li> <li>E-Mail : csr@pruksa.com</li> <li>Letter to : Chairman of the Board Chairman of the Audit Committee and Group CEO</li> </ul>	<p>The company is well aware of being a part of society that will contribute to sustainable social and environmental development; therefore has established the SD Policy as a framework for operations under responsibility to every stakeholder and in every organization work process. The Board of Directors, executives and all employees shall adhere to the following practices :</p> <p><b>1. Heart to Home :</b> Care for the quality of life and well-being</p> <p><b>2. Heart to Earth :</b> Care for the environmental impact</p> <p><b>3. Heart to Society :</b> Care for the society to provide good opportunities</p>	<ul style="list-style-type: none"> <li>The company uses expertise from Core Business to improve the quality of life for the stakeholder groups, communities and society to drive towards sustainable development goals: SDGs at the national and international level through 3 main operations, namely</li> </ul> <p><b>1. Heart to Home :</b> Care for the quality of life and well-being such as Solar Cell Energy Saving Village Project</p> <p><b>2. Heart to Earth :</b> Care for the environmental impact, including Pruksa Caring...Returning Clear Water to the Canal Project, 60+ Earth Hour 2019, DIY Change Waste to Oxygen, Pruksa Doing Good Planting Honeycomb Trees for King Rama 10, Pruksa Save the World, Pruksa Lady's Month, Pruksa No Plastic Bag.</p> <p><b>3. Heart to Society :</b> Care for society and provide good opportunities, including "Vocational Teacher 4.0 By Pruksa" project, Thai Youth Development Cooperation Project into the 4.0 Construction Industry era, Pruksa Innovation Learning Center Project, Pruksa Fund Project, Seedling Fund Project, Real Estate Knowledge Sharing of Senior Executive Project, House Caring for People with Disabilities Project By Pruksa, Career Development Project for the Disabled, Sample Room for the Elderly for Learning at Lerdsin Hospital, Pruksa Volunteer Blood Donors Project, Pruksa Health Check Project, Happy Home Project, Supported Community Product for Sustainable Income Project, Blue Flag Shop Project and etc.</p>

Stakeholders (GRI 102-42)	Communication and Channels (GRI 102-43)	Stakeholder Expectations (GRI 102-44)	Action for Stakeholders (GRI 102-44)
Shareholders	<ul style="list-style-type: none"> <li>Annual General Meeting of Shareholders</li> <li>Annual report of the company</li> <li>Sustainable development report of the company</li> <li>Website : www.psh.co.th under Investor Relations</li> <li>Letter to : Group Chief Executive Officer or Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Organize Annual General Meeting of Shareholders to be in accordance with the AGM Checklist standard.</li> <li>Held a meeting in Bangkok or at the company headquarters for shareholders to conveniently travel to attend the meeting.</li> <li>Registration to attend the shareholders' meeting in advance in order to prevent problems for shareholders on the day of the meeting and to enable registration on the meeting day from being delayed.</li> <li>There is no limitation of opportunity for shareholders to learn the information of the company.</li> <li>There is a policy that allowed shareholders to propose additional meeting agendas, propose the name of the director and send questions about the company in advance prior to the date of the Shareholders' Meeting. The company has clearly specified the channels and rules in order to show fairness and transparency in the consideration and notify the shareholders as well as disseminate the said rules on the company's website.</li> <li>Adding additional agenda without being specified in advance, prior to the Shareholders' Meeting is against the Company's policies; as adding additional agendas that required resolution without being specified in the meeting agenda is not a fair act towards shareholders, who did not attend the meeting.</li> <li>Provide stamp duty on the proxy form for proxies attending the meeting without service charge at the registration and documents check desk to facilitate and reduce the burden in procuring of stamp duty of shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>Perform duties with honesty and integrity, including making decisions with care, prudence, and fairness for all shareholders; for the maximum benefit of the shareholders as a whole.</li> <li>Report the status of the company, turnover, financial status, accounting and other reports regularly, completely and truthfully.</li> <li>Report to the shareholders equally of the future trends of the company. Both positive and negative which is based on the possibility with sufficient information and justification.</li> <li>Shall not seek benefits for yourself and others by using any information of the company that has not been disclosed to the public or proceeded in a manner that may cause conflicts of interest with the organization.</li> <li>The company shall treat all shareholders equally at the Shareholders' Meeting.</li> </ul>
Competitors	<ul style="list-style-type: none"> <li>Telephone : Pruksa Contact Center 1739</li> <li>E-mail : cg@pruksa.com</li> <li>Line@ : pruksacg</li> <li>Letter to : Group Chief Executive Officer or Chairman of the Audit Committee</li> </ul>	<ul style="list-style-type: none"> <li>Behave and conduct oneself within the framework of good competition.</li> <li>Shall not seek confidential information of competitors by dishonest or inappropriate methods for the benefit of the company's business.</li> <li>Shall not make any accusation that is malicious or defaming the competitors.</li> <li>Shall not participate in entering into contracts or agreements that may lead to unreasonably eliminating competitors.</li> </ul>	<ul style="list-style-type: none"> <li>Support and promote free and fair trade competition policies. Shall not monopolize or require suppliers to sell only the company's products.</li> <li>There is no policy to compete in trade by using any means to obtain competitors' information illegally and against ethics.</li> </ul>

## Materiality Report

The company has specified the essential issues regarding the Sustainable Development those are first, considering information from stakeholder participation (Stakeholder Inclusiveness). Second, Business plan, strategy, risk factor and Sustainable Development Goals (SDGs) and Third, advice and suggestions from The Stock Exchange of Thailand in the submission of a sustainability assessment. For various information, the company has Applied principles for defining report content (Global Reporting Initiative or GRI) GRI standards, which material issues selection process as detailed below.

### The Process for Defining the Materiality (GRI 102-46, GRI 102-49)

#### 1. Identification of key sustainability issues for Pruksa and stakeholders

The company follows the procedures of the GRI Standards including Sustainability Context, Materiality, Completeness and Stakeholder Inclusiveness. Moreover, the potential important issues from internal sources (Goals and Business plan) as well as external sources (Evaluation and decision of the stakeholder) also issues emerging from economic, social, environment and the changes of the global trends according to the Sustainable Development Goals (SDGs) are taken into account in order to evaluate, select and identify as the important issue for The Company.

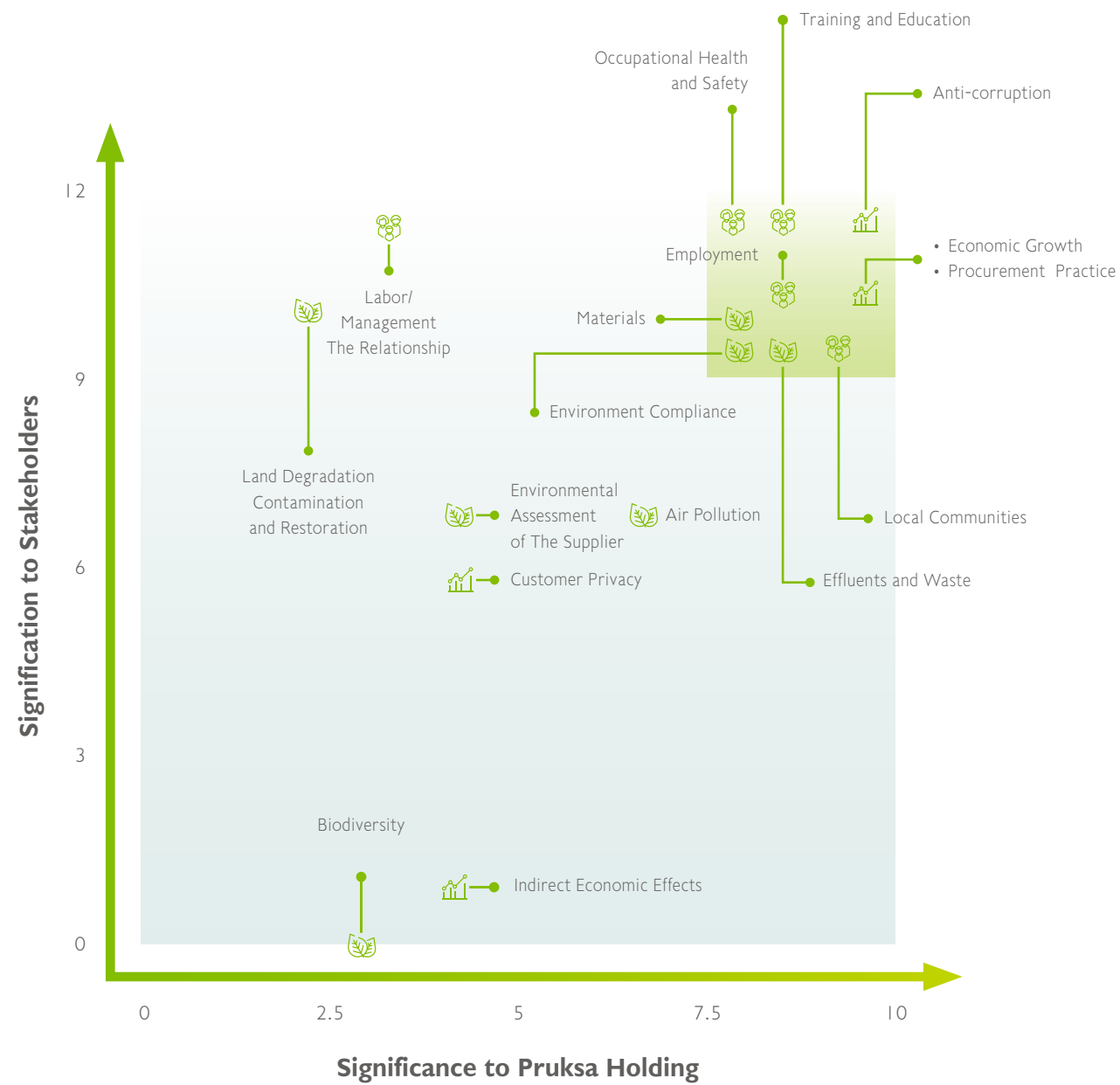
#### 2. Prioritization

The company would Prioritize and evaluate the Materiality towards Sustainable Development by identifying and determining the important issues especially those related to the effect and expectation of the shareholder as well as the sustainable development growth trends in the real estate and construction area. Then, each issue would be given score according to the level of importance in the Materiality Matrix indicating vertically - The influence level towards evaluation and decision making of shareholders and horizontally - The significant level of economic, social and environment effect.

#### 3. Validation

The important issues for Sustainable Development of Pruksa Holding PCL have been identified with approval from the executives from 10 fields including 3 from economic, 3 from environment and 4 from social issues as shown below. (GRI 102-32)

## Materiality Matrix



## The Materiality Assessment Results (GRI 102-46)

Issues <small>(GRI 102-47)</small>	Impacts Stakeholder		Reporting Content	Page
	Internal	External		
<b>Economic 3 Issue</b>				
1. Economic Growth	Executives/ Employees	Shareholders, Creditors, Suppliers/ Contractors	Economic Growth	41-48
2. Procurement Practices		Suppliers/ Contractors	Procurement and Supply Chain Management	51-67
3. Anti-Corruption	Executives/ Employees	Suppliers/ Contractors	Anti-Corruption	68-75
<b>Environment 3 Issue</b>				
4. Materials	Executives/ Employees	Customers, Suppliers, Community and Society	Material Handling	87-98
5. Effluents and Waste		Customers, Suppliers, Social and Community	Waste Management	99-100
6. Environmental Compliance	Executives/ Employees	Community and Society	Participation with the Community in Preserving The Environment	101-102
<b>Social 4 Issue</b>				
7. Employment	Executives/ Employees	Suppliers/ Contractors	Human Right and Fair Treatment Towards Labour	105-111
8. Training and Education	Executives/ Employees		Potential Development and Career Advancement	111-120
9. Occupational Health and Safety	Executives/ Employees	Customers, Suppliers/ Contractors	Occupational Health and Safety	121-131
10. Local Communities		Community and Society	Participation in Sustainable Community and Social Development	132-142



# ECONOMIC



## Economic Operations for Sustainable Growth

Pruksa Holding Public Company Limited operates its main business by Holding Company, with the direct revenue that derived from dividends received from holding shares in the subsidiaries or associated companies that the company will invest in the future. (GRI 103-1, GRI 103-2)

### Economic Growth 2019 (GRI 103-3, GRI 201-1)

Revenues <b>40,152</b> Million baht	Operating Costs <b>25,754</b> Million baht	Employee Wages and Benefits <b>2,404</b> Million baht
Payments to Providers of Capital <b>3,502</b> Million baht	Payments to Government * <b>3,189</b> Million baht	Community Investments <b>3</b> Million baht
Economic Value Retained ** <b>5,300</b> Million baht		

Note : \* Payments made to the state consisted of: corporate income tax of 1,535 million baht, specific business taxes of 1,414 million baht and transfer fees of 240 million baht, a total of 3,189 million baht.  
 \*\* The cumulative economic value consisted of revenue deduct operating costs, wages and employee benefits, payments to owners of funds, payments to the State and investment in the community.  
 Source : Consolidated financial statements for the year 2019 and performance reports for the year 2019.

## Tax Operation

### Accounting Policy for Corporate Income Tax

Income tax expenses for the year consisted of current income tax and deferred income tax recognized in profit or loss. Except in relation to transactions related to a business combination or items that are recognized directly in shareholders' equity or other comprehensive income.

- **Income tax for the current period are**

Taxes that are expected to be paid or received by calculating the annual taxable profit or loss by using the tax rate enacted or which is expected to become effective on the reporting date, as well as tax adjustments related to items in previous years.

- **Deferred income tax**

Recorded by calculating temporary differences arising between the book value of assets and liabilities and the amount used for tax purposes.

Deferred income taxes are not recognized when there is a temporary difference, such as initial recognition of assets or liabilities which is not a business combination and that transaction does not have any impact on accounting profit or loss and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

### Measurement of deferred income tax

Deferred income taxes are measured using tax rates that are estimated to be used for temporary differences when they reverse, using tax rates enacted or expected to become effective as at the reporting date and reflecting the tax effect of the method in which the group expects to benefit from assets or to pay liabilities at book value as at the end of the report period.

### Determining the value of current income tax and deferred income tax

The company shall consider the impact of the uncertain tax situation and may cause the amount of tax payable to increase with interest to be paid by the company. The company has set up sufficient income tax payable for income tax to be paid in the future which is the result from evaluating the impact of many factors; including tax law interpretation and past experience.

This assessment is based on estimates and assumptions and may be relevant to decisions making about future events. New information may cause the company to change the decision depending on the adequacy of the existing income tax payable. The change in income tax payable will affect income tax expense in the period in which the change has occurred.

Deferred income tax assets and deferred tax liabilities can be offset when the business has a legal right to deduct the current income tax assets from the current income tax liabilities and this income tax is assessed by the same taxation department or different tax authorities. For different tax units, the business intends to pay the current tax liabilities and the current income tax assets with the net amount or intend to return the assets and pay the liabilities at the same time.

Deferred income tax assets will be recorded only when it is highly probable that future taxable profits will be sufficient to capitalize on those temporary differences. Deferred income tax assets are reviewed at the reporting date and will be reduced to the extent that tax benefits will actually be used.

### Tax operation


The company maintains tax management that is in accordance with the relevant laws, with the following operations:

- Training for employees, who are responsible for the company's tax.
- Monitor laws and regulations related to tax procedures for the company to comply with laws and regulations correctly and completely.
- There is an analysis of tax effects resulting from changes in the law or rules in order for the company to be able to plan and prepare to handle the impact.

The company has correctly proceeded to pay corporate income tax and other related taxes in accordance with the Revenue Department regulations both domestically and internationally.

## The Overview of Pruksa Real Estate Public Company Limited

36 new projects in 2019.



**Town House  
21 Projects**

บ้านพักอาศัย THE CONNECT  
PRUKSA THE VILLE PLANT PATIO

- 1 Baan Pruksa Bang Kruai - Sai Noi
- 2 Baan Pruksa Wongwaen - Kantana
- 3 Baan Pruksa 95A Wongwaen - Kantana
- 4 Baan Pruksa 95B Wongwaen - Kantana
- 5 Baan Pruksa Rajaprak - 345
- 6 Baan Pruksa Prachauthit
- 7 Baan Pruksa Srinakarin - Bangna 3
- 8 Baan Pruksa Sukhumvit - Bangpu
- 9 Baan Pruksa Hinkong - Saraburi
- 10 Baan Pruksa Rangsit - Thanyaburi 2
- 11 Baan Pruksa Nongmon - Chonburi 3
- 12 Baan Pruksa Airport - Maliwan
- 13 The Connect Tiwanon - Chaengwattana
- 14 Pruksa Ville Krungthep Kreetha - Wongwaen
- 15 Pruksa Ville Chaofah - Thep Anusorn
- 16 Pruksa Ville Phaholyothin - Ramintra
- 17 Pruksa Ville Phaholyothin - Ramintra 2
- 18 Pruksa Ville 87/2 Tearak
- 19 Pruksa Ville 107/5 Prachauthit - Suksawat
- 20 Pruksa Ville Tearak - Srinakarin
- 21 The Plant Ramkhamhaeng - Wongwaen



**Single Detached House  
8 Projects**

THE PLANT THE PALM passorn


- 1 The Plant Nongmon - Chonburi
- 2 The Palm Krungthep Kreetha - Wongwaen
- 3 Passorn Buddhamonthon Sai 2 - Bangwaek
- 4 Passorn Donmuang - Phaholyothin
- 5 The Plant Chaiyaphruek - Wongwaen
- 6 The Plant Krungthep - Pathumthani
- 7 Passorn Romkiao - Ramkhamhaeng
- 8 The Plant Sirisothon



**Condominium  
5 Projects**

THE TREE THE PRIVACY plum condo

- 1 The Tree Charan - Bangphlat
- 2 The Tree Phatthanakan - Ekkamai
- 3 The Privacy Taopoon Interchange
- 4 The Privacy S101
- 5 Plum Condo Donmuang - Airport



**Premium  
2 Projects**

CHAPTER

- 1 Chapter Chula - Samyan
- 2 Chapter Charoennakhon - Riverside

## The Overview of Vimut International Hospital Company Limited



### Vimut Hospital

Which is currently under construction, is located near Saphan Khwai intersection. It will be ready for service, under the Concept “Trust and Care”, by focusing on comprehensive health care with regard to quality of treatment and Patient Experience. This includes acute severe diseases such as stroke, heart disease, digestive disorders, and chronic diseases diabetes, dyslipidemia and high blood pressure.

### “Baan Mhor Vimut” Rangsit Klong 3

Located at Rangsit Klong 3, Pathumthani Province which is considered to be a big community with many Pruksa’s projects. The clinic provides general treatment service, treatment of diabetes, physical therapy and home visiting nursing service including health consultation with community residents. This is another business that extends from Vimut hospital to ensure that everyone has access to quality holistic treatment in terms of location, service and affordable price by specialists in family medicine. Importantly, it also supports Pruksa’s image in health care as well as improves the quality of life for customers, Pruksa Family member and Rangsit Klong 3 community. At present, the clinic provides the services for

- General treatment service, childhood diseases, give vaccinations
- Diabetes and chronic disease
- Health check-up packages and blood test room
- Physiotherapy and child development
- Hemodialysis
- Home visiting nursing service
- Organizing seminars to educate the public such as fall prevention in the elderly and allergies in children



## Innovation for Sustainable Development

The company is committed to creating new innovations in order to continuously maximize the customer satisfaction in all product groups and price levels for townhouse, detached houses or condominium. Each project has a unique characteristic that is different from others in both design and functionality. By not only paying attention to the customer’s need but also to every small detail, this defines the difference in working standard called the “Pruksa Quality Standard”. Thus, the company has truly improved the quality of housing to meet customer highest satisfaction. (GRI 103-1)

### PRUKSA Living Tech (GRI 103-2)

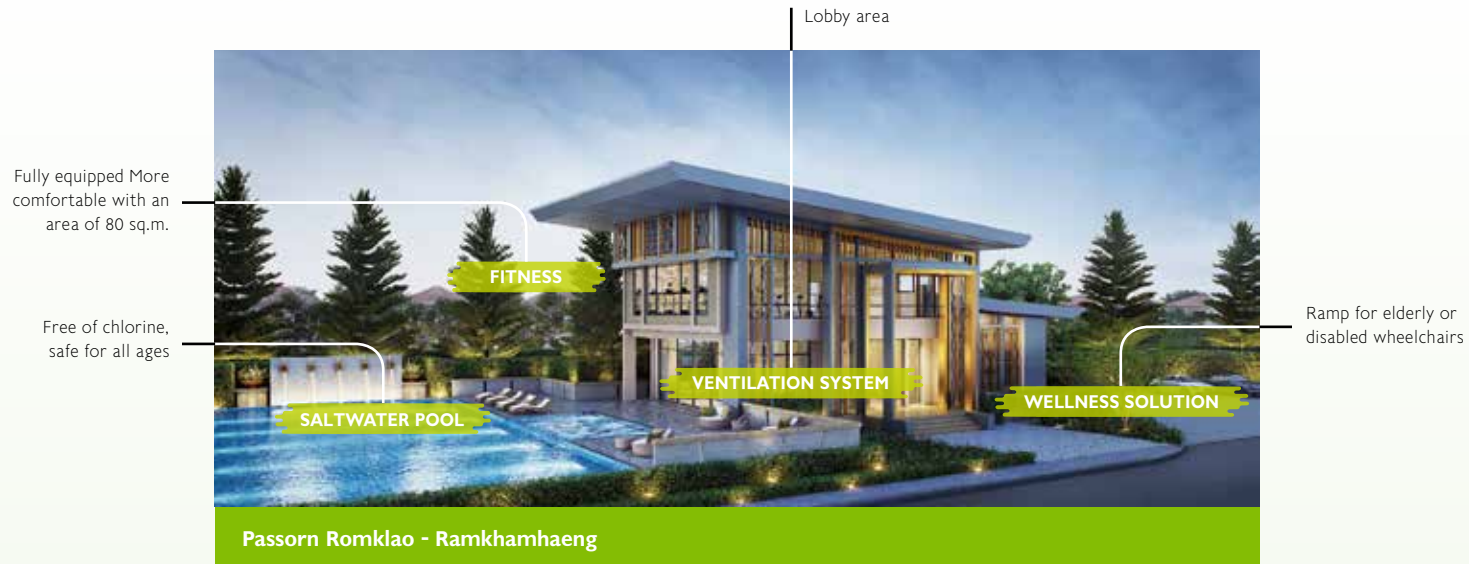
In 2019, the company has developed “Pruksa Living Tech” which combines nature with technology. This is not only to full fill the need, it also creates quality and balance for sustainable living with the following components.





### 1. Living Technology for Healthy

Innovation that is developed to make Thai people healthy. Due to the increased levels of air pollutants, especially PM 2.5, we developed O<sup>2</sup> System to increase oxygen for fresh air in common areas. The other innovation for health is Wellness Solution, Prukka Precast, saltwater pool, Jogging Track and Space Extension, etc.



### 3. Living Technology for Safety

Innovation that is developed to enhance security for living in the Prukka project. We developed security systems and various warning systems from the entrance to home such as Door & Window Alarm System, Door & Window Magnetic Sensor, CCTV, Smoke Detector, Digital Door Lock, Triple Gate, Access Control and Security Pad Control, etc.



### 2. Living Technology for Green

Innovation that is developed for good quality of life and environment such as a breathing house, Prukka Fresh Air, that helps creating home ventilation. This reduces heat and energy consumption, and improve air ventilation. There is a solar cell system to save electricity in the common area as well as other innovations such as Vertical Green Wall, LED Lighting and Skylight, etc.



### 4. Living Technology for Smart

Innovation that is developed to meet the modern lifestyle by using technology to help facilitate greater convenience by using a smartphone to control electrical appliances such as Home Automation, In Unit Wellness, Sensor Lighting, USB Plug, Smart Switch, Smart Mirror, Smart Locker, Smart Camera/IP Camera and Wi-Fi in common area, etc.



In addition to 2019, Pruksha also works with suppliers in selecting materials for better quality of product delivered to customers and environmental friendly, include

- Cooperates with TOT Paint (Thailand) Public Company Limited (TOA) to develop TOA color model Expert 2 In 1 which is a watercolor formula that does not harmful to health and has better reflecting heat radiation. It is easy to use. To paint, just simply opens the paint container and use. There is no additional water or paint foundation required.
- Cooperates with Siam City Cement Public Company Limited to drive and promote the use of HYDRAULIC CEMENT to reduce CO<sub>2</sub> in cement production process. This cement is used for constructing the road in the project. This reduces CO<sub>2</sub> equivalent to 1,960 ton of CO<sub>2</sub>e or plant t 206,316 trees.
- Developed precast joint sealing materials, called Hybrid Epoxy, which increase durability over the lifetime with Siam Cement Public Company Limited and TOA Paint (Thailand) Public Company Limited.

Over the past 26 years, Pruksha has developed innovation that is completed and covered all aspect. As a result, Pruksha delivered quality and beautiful houses that meet international standard. This creates Value For Money, Emotional Value, Functional Value, and Value of Time. Customers are appreciated, happy and proud to be the owner which is good for organization image. We also consider environmental protection and sustainable development by focusing in 3 main areas which are

- Care the quality of life and well-being : With cooperation and devotion in every step of operating of Pruksha's employee in order to provide quality housing for every customer.
- Care for the environmental impact : Taking into account the environmental impacts in every detail of the production process to help reduce global warming.
- Care for the society and provide good opportunities : Placing importance to the well-being of people by providing knowledge and promote job creation as well as create new opportunities for the better quality of life of people in society.

With the engagement of employees in the organization, customers, suppliers/ society and communities, the important in business is not just the products or services. The key is the "Creativity" behind valuable products or services which causes Sustainable growth for the organization.

Each year, Pruksha allocates budget for ongoing research and development of residential construction technology, including internal development and joint development with suppliers. The research and development expenses are approximately 0.5% of the income. (GRI 103-3)

## Customer Relation and Responsibility Management

With Pruksha vision aiming for highest satisfaction for customers because customers are key business stakeholders. The company therefore set up Corporate Customer Relationship Management division to be responsible for the strategy formulation, planning and implementation in order to develop better relations with customers by proceeding through important steps. In which customers interacts with the company in accordance with the specified Customer Journey to be used as a management framework. (GRI 103-1)



Throughout the year 2019, the company has consistently given importance to customer relationship management (CRM) by improving the CRM system to support the structure and respond to the business strategy of the company. To be able to complete work according to Customer Journey, storing customers data and linking it to sales system and various service systems in order to collect data to be Customer Centric enables the company to know and better understand the needs of customer (Customer Single View) and use the information from the CRM system to develop and improve the work processes of each related department efficiently and in accordance with the set goals and take the results of the customer satisfaction assessment from the past year to analyze in each step. And then improves the products and services of the company which lead to the develop better customer satisfaction including setting goals and strategic plans at the organization level with a working group and designated executives responsible for each plan. There is a follow-up and report on the progress with the top management on the monthly basis.

### Customer Satisfaction Development Plan (GRI 103-2)

- **Zero Defect Structure**  
To improve products and customer service, this project is the main project that the company pays close attention to develop customer satisfaction by bringing a summary of the top 10 issues or complaints (Top 10 Defect) on a monthly basis to analyze, plan and set goals for improvement starting from the design, change of materials, vendor selection, working training, work process adjustment to manage customer complaints, etc.
- **Continuously update the company database**  
To be able to communicate and interact with customers in a variety of ways, both online and offline, such as sending short message (SMS), electronic mail, letters or social media, etc.

**Customer Satisfaction Development Plan in The Process of Visiting The Project through Selling**

The company evaluates the satisfaction of customers in important stages such as visiting project, transferring of ownership up to services after delivering the administration to juristic person as following :



**Using the Visual Questionnaire Application System**

To collect data and process for product presentation or project to meet the needs of customers (Personalized Product Suggestion). When customers visit any of the company's projects, if the project visited does not meet the needs of customers, salespeople can recommend other projects to customers immediately without having to ask for more information. It's not only save customers time, it will also impress customers and increasing sales opportunities.

**Pruksa Member Project**

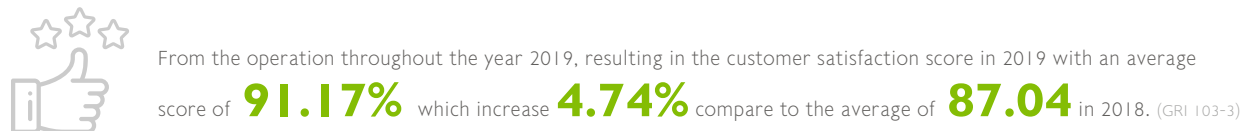
A project to build good relationships with customers which leads to confidence, satisfaction and word-of-mouth. This will create sales opportunities by dividing the Pruksa Member based on the qualifications and conditions into 3 levels which are Platinum, Green Plus and Green. To manage and develop relationships based on classification, members will receive 2 additional privileges. The first is to receive accumulated points from introduction. And the second, the members will receive benefits and special discounts which vary according to membership level from partners' store.

**Pruksa Member Level**

<p><b>Platinum</b> is a member for a customer who has purchased more than 1 unit or has accumulated purchased amount of more than 10 million baht.</p>	<p><b>Green plus</b> is a member for a customer who has purchased 1 unit.</p>	<p><b>Green</b> is a group of people interested in the company's projects.</p>
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**Customer Satisfaction Evaluation Summary**

Assessing customer satisfaction is an important step. Therefore, CRM system is used to perform the evaluation at each specified step by assessment will be sent to customers via E-Mail, SMS or Pruksa Contact Center 1739. And the score obtained from the assessment will be imported into the automated processing system allowing executives and related parties to see the scores instantly in Real Time via BI (Business Intelligence). Each department can use the results of the assessment to make faster and better business decisions and can use the information to improve satisfaction immediately.



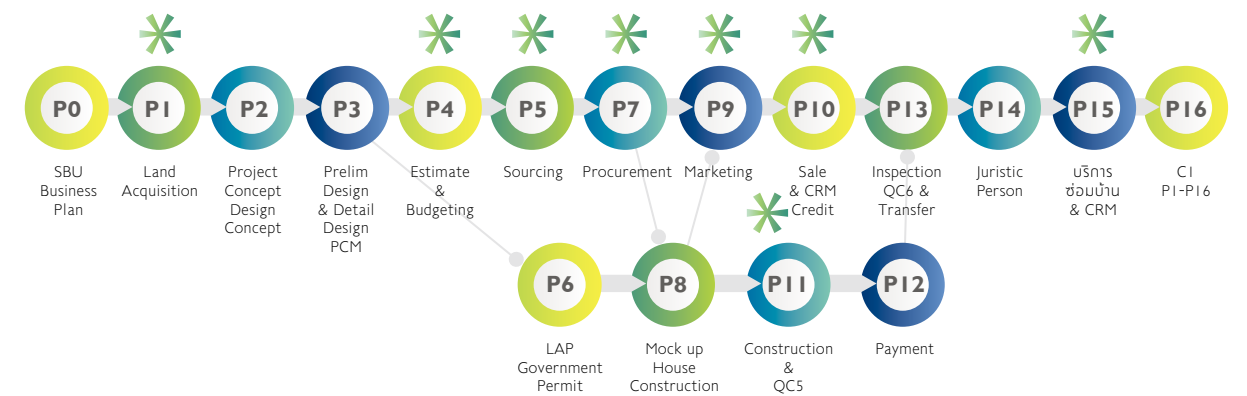
**Contact Channels for Customers and Individuals**

Pruksa Contact Center 1739	www.pruksa.com selects the topic "Contact us"
Live Chat on website www.pruksa.com	Application : The Living Pruksa Family Club

**Supply Chain Management and Procurement  
Pruksa's Sustainable Supply Chain Management (P0-P16)**

Pruksa determines to be the top real estate company in Thailand with a diversified business and service in order to respond to current lifestyles and requirement of customers. Consistent with the company's policy that emphasizes on "Paying attention" to constructing good qualified products for the customers, therefore, the company intends to maintain maintains a workflow process (Process : P) that encompasses the entire value chain, starting from the first (P0) to the last process (P16) which is the main process of the organization as following : (GRI 102-9, GRI 103-1)

**Pruksa's Quality Operational Standards (GRI 103-2)**



Remark : \* The supporting operations are Human Resources, Corporate Secretary, IT and Good Corporate Governance.

Working Process	Details of Quality Operation
<b>P0</b>	<p><b>SBU Business Plan : Project Feasibility Study 1</b></p> <p>Study and examine the Potential Land's Market and Financial Feasibility study as per the company's standard.</p>
<b>P1*</b>	<p><b>Land Acquisition : Negotiation on Land Purchase for Project Feasibility Study 2 and Land Purchase Approval</b></p> <p>The company's land acquisition process focuses entirely on potential land plots that could generate value to the residents. The chosen potential land plots are those from willing to sell customers not by any types of forces, without any illegal case and must be transparent. There will be representative from The company representing in each plots throughout the process to ensure everything is done according to The company's standard, rules and regulations.</p>

Working Process	Details of Quality Operation
	<p>Also, purchasing the land plots surrounding the project area is also in The company's plan. In order to ensure that the surrounding communities do not get disturbed or affected by the construction, transportation of materials and any other movements. If the roads are damaged during the process, The company intends to repair and improve the condition of the area.</p> <p>The land acquisition/purchasing process are divided into 8 sub-steps (P0-P8) which will be subjected to the Boards and the stakeholders (People involved both internal - Company's employees and external- Land owners, Agents) for mutual understanding and proper execution.</p>
<b>P2</b>	<p><b>Project Concept Design Concept : Project Concept and Project Feasibility Study 3</b></p> <p>Right after The company acquires the land for project development, the design team would take over the next process. Those are project concept design and layout, infrastructure, as well as ensuring the concept delivers pleasant concept. Moreover, the layout of the house is designed according to the landscape architect principles and the land allocation law. This is to optimize the project with quality, positivity and low maintenance requirement.</p>
<b>P3</b>	<p><b>Prelim Design &amp; Detail Design PCM : Designer Recruitment and Housing Design</b></p> <p>The Housing Design emphasizes on comprehensive functions for quality living as well as raw materials selection those are suitable, worthy, durable and easy to maintain with best quality. Also, designing a proper wastewater management, water drainage and treatment system are designed based on sanitary principle. Along with provide manual for users to ease up their lifestyles and protect the environment at the same time.</p>
<b>P4*</b>	<p><b>Estimate &amp; Budgeting : Estimated Project Price (Median) and Project Budget for Project Feasibility Study 4</b></p> <p>Price estimation is performed per project designing and budgeting. This process is divided into 6 sub-processes (P1-P6) which will be subjected to the Boards and the stakeholders (People involved both internal - Company's employees and external designers) for mutual understanding and proper execution.</p>
<b>P5*</b>	<p><b>Sourcing : Seeking and Selecting Contractors</b></p> <p>Selecting contractors or suppliers those meet the housing designing and requirement as well as The company's standard with good before and after sales services. With proper Biding or E-Auction process, would ensure the transparency and reasonable price. For contractors or suppliers with good performance and potential, would be considered for the future projects</p> <p>This process is divided into 9 sub-processes (P0-P8) which will be subjected to the Boards and the stakeholders (People involved both internal - Company's employees and external-contractors, shops) for mutual understanding and proper execution.</p>

Working Process	Details of Quality Operation
<b>P6</b>	<p><b>Government Permit : Request for Permissions</b></p> <p>The company's request for permission is strictly exercised according to the government's law and regulation.</p>
<b>P7*</b>	<p><b>Procurement : Auction and Hiring of Material Suppliers</b></p> <p>Auction is taken place for the hiring process of material suppliers. This is to make sure that The company gets the best supplier who can deliver qualified products with reasonable price and excellent services.</p>
<b>P8</b>	<p><b>Mock up House Construction : Sale office and Mock up House Construction</b></p> <p>The initial process begins with soil filling, infrastructure and mock-up house construction. The process must follow the project pipeline firmly with no threats to the surrounding environment. There will be assigned project manager in charge of the project to receive complaints (if any) and speed up the process to solve problems.</p>
<b>P9*</b>	<p><b>Marketing : Marketing</b></p> <p>The usage of Media in the project it would be according to the laws related to consumer protection. The company has a team to examine the data and information before disseminating the words publicly in order to be fair to customers and stakeholders. Including making sure that advertising boards do not disturb or create nuisance for the community.</p>
<b>P10*</b>	<p><b>Sale &amp; CRM Credit : Sale and Consultation on House Purchasing and Housing Loan for Customers and CRM Service</b></p> <p>The information/data provided to the customer will be based on fact and figures that would be a fundamental for decision making process. In addition, The company intent to facilitate the customer for the housing load by partnering with financial institutes in order to maximize the benefits for the customer.</p> <p>Moreover, sales can be done through agents both in and outside the country along with providing consultation for customers with financial issues with Win Back project. Also, development of the CRM Database to increase the sales are also in the plan.</p>
<b>P11*</b>	<p><b>Construction &amp; Quality Control : Project's Infrastructure Construction and Quality Control</b></p> <p>During the construction, The company will perform carefully with minimum effects on the surrounding communities such as nuisance noise, water drainage and dust from the construction process. However, the dust would be lesser than in general due to The company's modern construction technique using precast sheet (prefabricated reinforced concrete). Each precast sheet is inspected thoroughly resulting in reducing pollutants both direct and indirectly emitted from construction and transportation (greenhouse gas) as well as reducing disposal/waste within the project. This process ensures the premium quality of the house before handing over to the customer.</p>

Working Process	Details of Quality Operation
<b>P12</b>	<p><b>Payment : Payment for Contractors according to project process</b></p> <p>The payment is approved based on actual work progress. The terms and conditions would be delivered to the contractors for mutual understanding.</p>
<b>P13</b>	<p><b>Inspection Quality Control &amp; Transfer : User Acceptance Examine (handover) and Transfer of Ownership</b></p> <p>The customer will perform the inspection and acceptance. With the quality and standard operated by The company consecutively, the corrections/errors are subjected to decrease.</p>
<b>P14</b>	<p><b>Juristic Person : Property Management and Juristic Person Management</b></p> <p>For the housing estate management, The company employs a specific agency to take care of the public utilities as well as services, lighting system, water drainage, project cleanliness and sanity, roads, parks and security process. The agency will operate starting from before-first moving in, during residency and transfer of management responsibility to the juristic person. Especially for the security purposes, The company gives most importance to by selecting qualified security companies and constantly monitors their performances. This has reduced the number of insecurity issues within the project significantly.</p>
<b>P15*</b>	<p><b>After Sales Service and Building good Customers Relationship : After Sale House Repair Management and CRM</b></p> <p>The company clearly states the Repair and Maintenance Service which strictly complies with the Service Level Agreement (SLA) which comprises of both quality and timing aspects. Each and every repair service request must be recorded in the system - stored as operation data and information for the related parties to and for better services. While as, the process of before-during-after repair service would be taken care of by the customer service team in order to provide constant update and maintain good relationship between both parties and receive feedback/evaluation. The evaluation would be reported to The company's executive for further improvement. This process has reached the utmost customer's satisfaction.</p>
<b>P16</b>	<p><b>Continuous Improvement Process and Supply Chain (Revert to P1-P16)</b></p> <p>Revising and enhancing each working process consecutively is what we do to ensure that the customer would receive the best quality and result from The company. To make sure we keep improving, certain activities have taken place such as Innovation Awards, Improvement Awards by Innovation Center and Continuous Improvement (CI) and Quality Assurance (QA) team.</p>

## The Streamline Project aims to develop the procedures to meet The International Standards

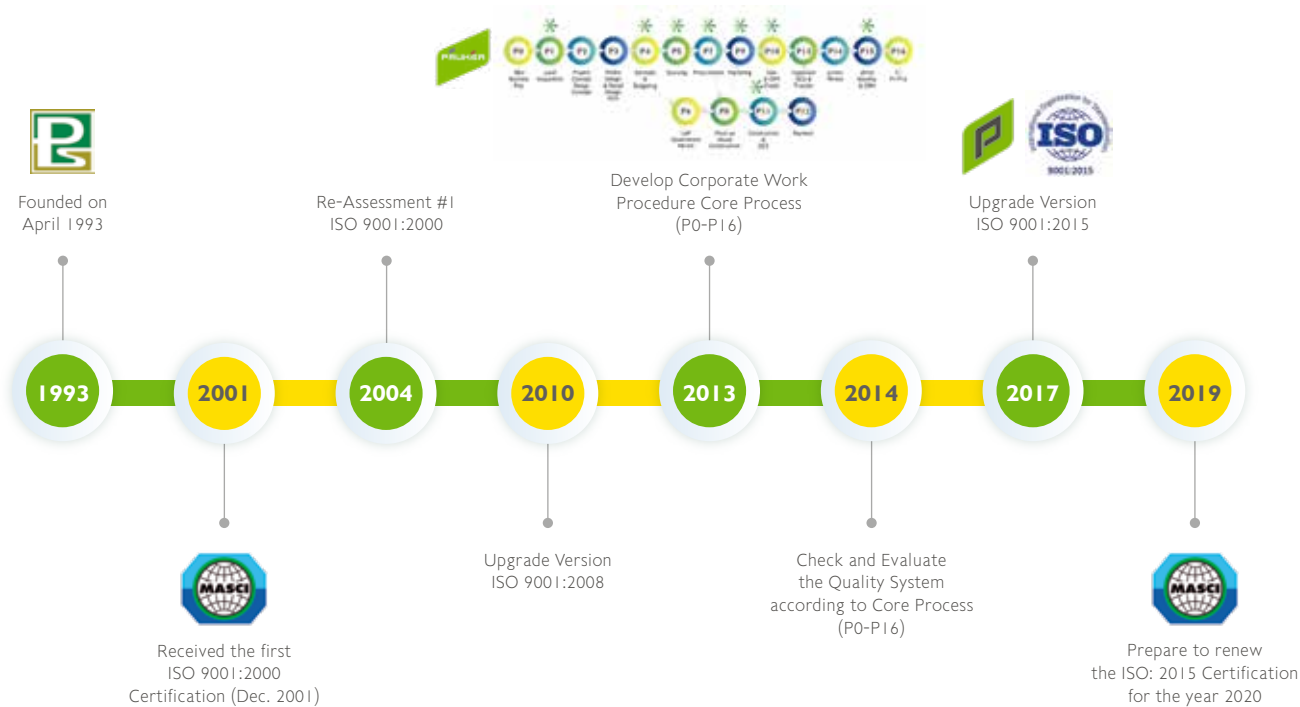


In the year 2019, the company has developed the system by improving and designing company's business process which is done through the Streamline Project; with the purpose of creating the integration of information technology system, data and procedures that is in line with international standards. Both in the aspect of project management and business process design as well as ERP system development, which allowed the company to be able to work efficiently, maintain good internal control and increase business competency.

## Pruksa Continuously Certified ISO 9001 Quality Management System.

The company has been certified for quality management system ISO 9001 since 2001 and has maintained system standards up to present. Every year, the company will be audit for Quality Management System from the Management System Certification Institute, which is an independent organization that provides certification services according to ISO standards and other system standards, to enhance the efficiency and quality of the industry. (GRI 103-3)

### The Development of ISO 9001 Quality Management System



## Procurement and Supply Chain Management (GRI 103-1)

The company is committed in placing importance on strategic planning, procurement management and supply chain management which emphasizes on product and service quality; by establishing risk management process that covers environmental, social, and corporate governance in order to set management guidelines that are in line with the risk level; taking into account the quality, quantity, delivery of goods and services received. This includes legal requirements and quality management systems to prevent and reduce risks that may impact the quality of the delivery of goods and services as well as the trust of the stakeholders in the operations of the organization. Pruksa - Supplier Sustainable Code of Conduct for suppliers and Pruksa Purchaser Code of Conduct for employees have been established in order for both suppliers and employees to strictly adhere to and implement. The content and scope of the guideline under the relevant rules, regulations and laws covering aspects on business ethics, human rights, occupational health safety and environment in accordance with the to the following 4 principles :

### Worthiness

Suppliers and employees of the company shall consider the cost of quality and the potential impact of current and future procurement. Such can be done by taking comparison of various options together with other related factors into consideration such as marketing, finance, technology and environment; where the significant factor in making decision of procurement does not always based on the lowest price but the Value Score in the selection process.

### Fairness and Transparency

Suppliers and employees of the company shall conduct the procurement process openly and shall provide every suppliers the opportunity to compete fairly; by considering the qualifications and the competency to accept the job of various work groups of suppliers mainly. The company as well provides opportunities for stakeholders, experts and the department assigned to have the opportunity to be sufficiently and equally informed of procurement information in a timely manner. The selection results shall be notified to the management and / or the procurement committee appointed by the company to acknowledge.

### Efficiency and Effectiveness

Employees shall clearly consider the requirement of the procurement by taking into account the market conditions and direction at that time as well as benefits that will be obtained from analyzing. Establish plans to be used in setting targets in selecting for the most useful and appropriate form of procurement method for the current situation. Including monthly, quarterly and yearly procurement evaluations should be conducted in order to use the results in improving and solving any deficiencies that occurred.

### Responsibility Towards Job Success

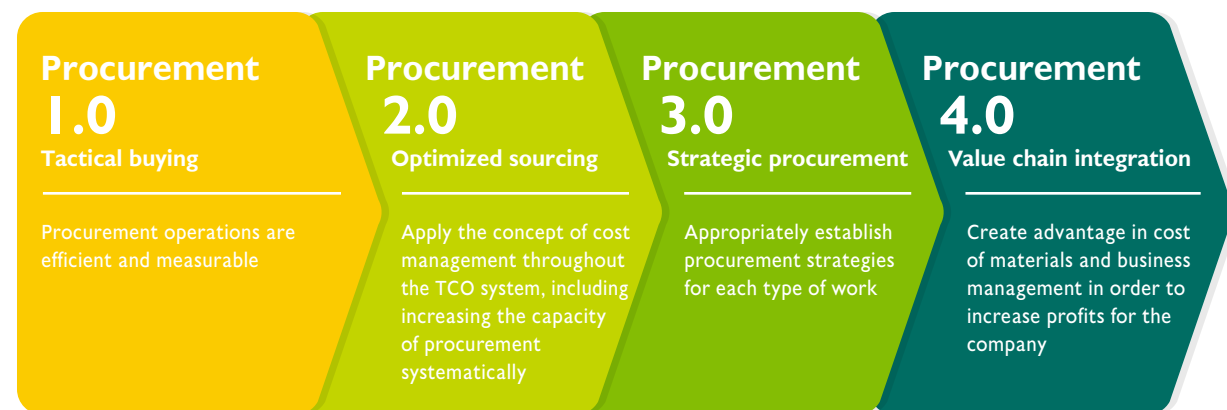
Employees shall adhere to the principles of responsibility towards the ethical standards or professional ethics; including considering of justice, efficiently and properly exercise of authority and be accountable for performance of duties in accordance to the roles and duties in responsibility. Such will be evaluated from the perspective and opinions of related stakeholders of the units and procurement process.

## Procurement 4.0 (GRI 103-2)

Currently, procurement management and supply chain management have adopted the concept of Thailand 4.0, to formulate development strategies for “Procurement 4.0” project and to make practical use in sustainable development planning that affects the procurement both in strategic and operations. This helps to be the new era strategic procurement compass and lead the company to “World Class Procurement” with 3 pillars as follows :

- Administration for maintaining business continuity “Continuity of Supplies (Speed)”
- Management of procurement costs for maximum efficiency “Best terms in the market (Cost Saving)”
- Procurement management is transparent and can be verified “Value Creation (Transparency)”

The most important thing for procurement in the 4.0 era is good technology and algorithms that helps to efficiently compile, process and analyze large amounts of data analysis. The results of the analysis can be used in understanding suppliers, markets and customers; forecasting market trends and detecting failures in the operation plan, materials, machinery, and products resulting in better decision-making capabilities of the company; as well as automating procurement decisions. Procurement 4.0 is the development of new define values; meeting new business demand, data collection from all units and various value chains which this information will be used proactively. The most important thing is that the procurement department must be able to handle the challenges and opportunities in the expansion of the company’s digital development in the future.



## Procurement ethics

Employees, who perform procurement duties shall strictly adhere to and implement this code of conduct as follows:

- Employees shall consider the benefits of the business.
- Employees shall listen to opinions from colleagues and related parties.
- Employees shall perform procurement without prejudice, in order to create value for the expenses that have been paid.
- Employees shall search for knowledge on materials, technology, market conditions and production processes.
- Employees shall trade honestly and sincerely.
- Employees shall politely welcome both internal and external suppliers.
- Employees shall accept obligations of one’s own and others.
- Employees shall avoid unfair practice.
- Employees shall provide advice and help suggest to buyers.
- Employees shall cooperate with all units.

## Conflict of Interest

Conflicts of interest from the procurement process may occur when employees pay more attention to the benefits that they will receive than the benefits of the company or is a responsive practice with each other in the sense of business; including the exercise of authority as assigned by the company, as a buyer to claim for other benefits from the vendor, such as any other benefits that affect the employee’s decision regarding the selection of the vendor, selection of products and/ or services or negotiation to conclude the purchase order with the seller’s company.

### The form of a Conflict of Interest



#### Gifts or Gratuity

Accepting gifts or gratuity with a value of more than 1,000 baht from a vendor is considered inappropriate and employees should not practice. This may affect the company image and display non-transparency and unfair of the employees; except for accepting gifts or gratuity prepared by the vendor for sales and marketing purposes.



#### Kindness and Friendliness

Employees shall not ask for or accept support, service or purchase anything that is offered with a special discount for himself/ herself or family members. This shall include travelling invitations, receiving services for pleasure, exchanging any item which has high value with the vendor or having lunch with the vendor during the business negotiation. Such may be done occasionally but shall not be regularity. In the event that the vendor invites to a dinner and watch a performance for a special occasion or important events, Such invitation shall be approved by a supervisor at the department manager level prior to the acceptance of such invitations.



#### Party

An employee who is invited to a party from a sales company and is a banquet that is more expensive than usual, with entertainment activities or with regular high-value gift vouchers where the vendor did not disclosed of such information; this shall be considered as conflict of interest. Employees shall report to the supervisor or department manager before attending that party.



#### Bribes or Fraudulent Money that the Vendor Secretly Bestowed

Employees must not imply, negotiate or accept bribes from vendors of any form and/ or any other benefit which causes the company to lose benefits. The said act is considered a serious violation and unethical which shall be considered disciplinary action and the company may file a criminal charge as well. The employees shall always be aware that accepting a bribe from vendor, apart from destroying his honor/ reputation it will also damage the reputation and image of the company as well.



#### Sample Products

Sample products which have commercial value shall be return to the vendor once the procurement/ supply process is completed. Unless, the Vendor declares that it is unnecessary to return such products due to low value or the product is a sample product that has been completely used such as chemical substances and etc.

## Confidentiality of Company Information

Suppliers and employees of the company shall be responsible for maintaining documents and information related to the procurement process such as technical information, materials or documents, whether it is an important operational document that allowed the company to maintain business advantage, vendor price offer, document comparing technical features, prices and contracts which is considered the company's confidential; are prohibiting from being disclosed to others. If any violation act were found, the company will take action against the violator immediately.

## Social and Environmental Responsibility

To be in comply with the social and environmental responsibility policy that the company have announced and that there may be additional announcements in the future while collaborately operating business, employees shall :

- Regularly coordinate between vendors and the research and development department and/ or the company's operations department and/ or Bureau of Quality, Safety, and Environment on work related to the requirements or nature of the product or service; while monitoring social and environmental impact assessments and taking all possible methods to achieve that product and service sustainability.
- Regularly contact with vendors, who maintain business ethics and is well aware of social and environmental responsibility of the company. Avoid vendors who operate business without business ethics, such as oppressing labor, allocating poor working conditions, does not recognize the rights of employees, have price fixing behavior in the auction, operate business that is not transparent, reveal trade confidential, throwing an offer for a price lower than the capital in order to unfairly undercut other vendors, have intimidating behavior, corruption and etc.
- Notify the vendors to cooperate or collaborate with vendors in carrying out social and environmental activities that is in accordance with the objectives of conducting stable and sustainable business.

## Internal Customer Relationships

The company recognized that employees are valuable resource for the company's success; therefore, the relationship between procurement staff and internal customers is also important. By adhering to human rights principles that does not discriminate against any person with similarities or differences in race, religion, gender, age or physical condition. The practice guidelines are as follows :

- Procuring parcels to be as effective as possible for the company by specifying that the parcels must be received in accordance with the requirements of quality, price, amount, time, service, speed and consideration of the company's quality, safety, occupational health and environment policy.
- Procurement personnel shall have good procure of parcels plans in order to avoid urgent procure of parcels without justification.
- Employees shall treat internal customers with respect for individuality and the dignity of humanity.
- Employees shall avoid any unfair actions which may affect employee relationship or any threatening action or put pressure on the internal mental state of internal customers.

## Performing Duty

The company is well aware of the duty of the employees towards the stakeholders shall be fair in order to maintain effective performance. The guidelines are as follows :

- Employees shall perform duties with professionalism, fairness, and reject inappropriate offers or suggestions in exchange for personal benefits in the procurement process.
- Procurement through relatives, close friends, or companies in which employees have a capital relationship and/ or are legally partners and/ or have factual sense with the vendor, the employees shall notify the supervisor so that the supervisor can assign other employees to perform duties on their behalf.
- Executives in accordance to the procurement authority shall use discretion in giving advice and listening to the opinions of the operators.
- Executives under the authority of procurement shall control, inspect and ensure strict compliance with the code of conduct. If any unethical practices were found, the executives shall conduct an investigation and consider the disciplinary action according to the procedures.
- Employees shall promote the procurement of goods and services from Thai entrepreneurs or the company's affiliated or subsidiary and associates companies.
- Employees shall systematically procure goods and services accurately and in accordance with the academic principles. By maintaining tight control and adjusting the method to be in line with the change in business trade all the times.

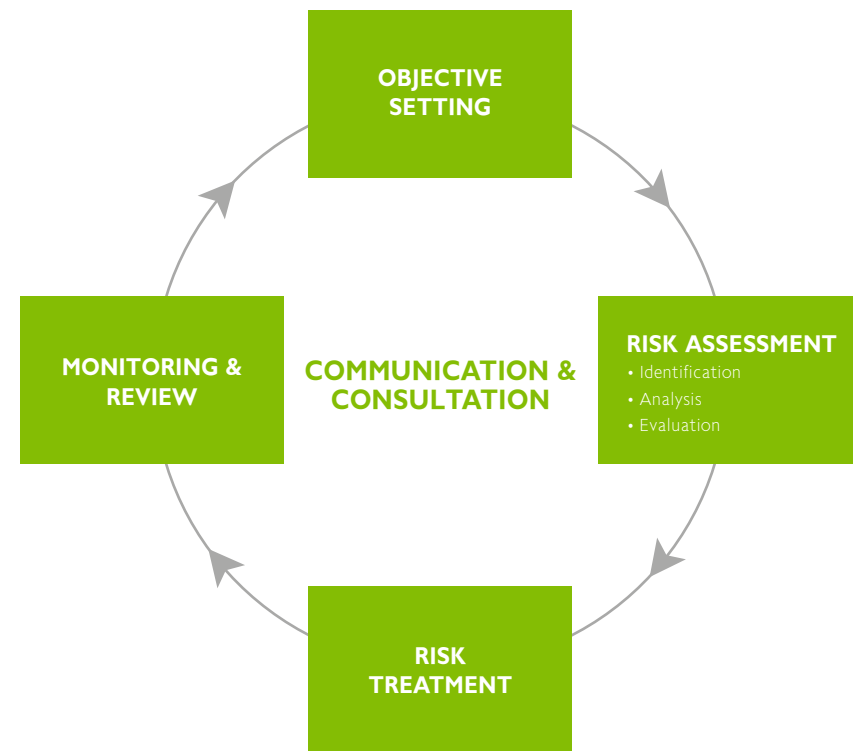
## Communication

The company is fully aware of the ethics of communications. If employees are communicating in an unworthy of morality way this may cause conflicts or may adversely affect the business ethics. The guidelines are as follows :

- Employees shall not provide personal and family information to vendors, such as addresses, home phone numbers, bank account or personal e-mail address.
- Employees are prohibited from giving the company information or contacting business with the vendor via the vendor's personal e-mail address, in any case, unless approved by the department manager of the Company.
- Office phone, mobile phone number that has been approved for use and the company's e-mail address should be used for the company's business only.
- Employees are only responsible for providing information related directly to their job responsibilities to the vendor. Disclosure of the company information that is not under the responsibility and without approval shall be considered as the violation of this code.
- The employee should notify the vendor to proceed in accordance with the agreements related to communications that has been established by the company only.

## Risk Awareness

The company has established a Functional Risk Assessment based on the Risk Management Process in order for the employees to perform procurement activities and become aware of the importance of enterprise risk management in an integrated manner and to systematically and continuously implement. As a result, procurement activities develop and advance as well as reduce damage or risks that may occur from the procurement process. Such are as follows :



## Penalties

Person with authority or duty to act in accordance with this regulation or any person, shall act in a concise, open, and have transparent manner; promote fair competition, save the budget, create worthiness, maintain effectiveness as well as responsibility for job success that benefit the company. If any action is taken Intentionally or negligently and does not comply with this regulation or act with fraudulent intent or acting without authority and beyond the authority; including having a favorable behavior for bidders to prevent fair competition, that person shall be considered violating the discipline in accordance with the regulations of the company's Group, under the rules as follows :

1. If the offence is intended for corruption or causing serious damage to the company, the offender shall at least be punished by termination of employment agreement.
2. If the offence causes damaged to the company but not a serious offence, the offender shall at least be punished by reduction of salaries.
3. If the offence does not cause any damage to the company but is the root cause for the problem, the offender shall at least be punished with a given written warning.

Note : Disciplinary action under Articles 1 and 2 does not cause the offender to be released from civil and / or criminal liability (if any).

## Suppliers Management (GRI 414-1)

The company is committed to conduct business with fairness and lawfulness under the good corporate governance principles along with supporting society and environment. In order for the company's and the suppliers' sustainable growth the company has established a "Sustainable Suppliers Practices" to be used as a guideline for suppliers to follow. If the suppliers are unable to comply with the aforementioned guidelines, the company will take appropriate action with suppliers based on the results and conflicts that will occur. (GRI 103-1)

## Sustainable Suppliers Practices (GRI 103-2)

### Suppliers Code of Conduct



The suppliers accepted the suppliers code of conduct policy of suppliers **1,396 cases**

#### 1. Business Code of Conduct

The company focuses on complying with the laws and related regulations, both directly and indirectly with honesty, ethics, transparency and can be inspected. This can be proceeded by obtaining quality products and services, to maximize benefits to the company with fairness to all stakeholders, and by not engaging in any type of corruption with the following actions.

- Inter-Confidentiality
- Omission to perform any act that causes conflict of interests and/or conflicting interest
- Omission to infringe the intellectual property right
- Determination of complaint receiving channel
- Participation in development and social responsibility

#### 2. Code of Conduct in Human Right and Labor

The company supports and respects the principles of human rights at the national and internal levels as well as monitoring and preventing the company's business from being involved in human rights violation, by accepting practices that beneficial to the global society, such as the United Nations human rights principles and requiring.

- The suppliers should respect to human right and concern on dignity of humanity, equality, whether due to difference from race, nationality, religion, gender, education, disability, and fair treatment to its employees according to international standard and law.
- The suppliers shall not enforce to use labor without willingness of its employees.
- The suppliers shall not employ child labor with age below criteria as required by law, and shall protect the labor as required by law in all respects.
- The suppliers shall properly, fairly, and punctually pay wage and any other benefits which should be received by its employees.
- The suppliers shall not assign its employees to work for longer time than the requirement of law. If overtime is necessary, it shall be willingly performed.

#### 3. Safety, Occupational Health and Environment

The company gives important to the operation under the standard for quality, safety and occupational health management. This is done by establishing and reviewing the quality, safety and occupational health policy as well as practices for sustainable development where

- The suppliers shall adequately and properly prepare working environment to have safety and occupational health for its employees, and procure personal protective devices for its employees.
- In the event of emergency situation, the suppliers shall be prepared for emergency situation by determining situation evaluation, impact management measure, warning plan, and organizing continuous and appropriate training for its employees.

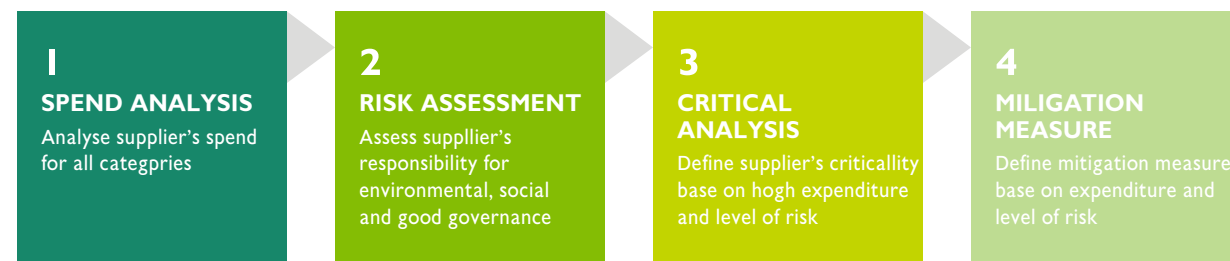
- The suppliers shall have clear environmental conservation policy under will of effective resource utilization and saving and proper energy consumption.
- The business shall strictly comply with the applicable Safety, Occupational Health and Environmental Law.
- The suppliers shall be assured of proper and safe production process, installation of waste disposal and management system, pollution emission both via air and on ground, and wastewater drainage, whereas quality monitoring, control and inspection shall be always performed to ensure that waste and output from production which are emitted to environment shall not cause any pollution both in short-term and long-term.

#### 4. Ethic and Compliance with Law

- The suppliers shall operate business with virtue and ethics and strictly comply with laws.
- The suppliers shall operate business without bribery in every form.
- The suppliers shall operate business under fair competition.
- The suppliers shall prepare correct and complete accounts related to business doing.
- The suppliers shall protect the secret information of its customers.

### Risk Assessment of Suppliers (GRI 103-2)

The company is aware of the environmental and social impact, as well as suppliers' corporate governance, by way of analyzing the importance and assessing suppliers' risk factors, which can be classified into 4 steps as follows :



**1. Spend Analysis :** This is applied to every aspect of the procurement unit, including spending records of suppliers who are classified as Top Spender.

**2. Risk Assessment :** The key focus is on suppliers' corporate governance outcomes, risk identification regarding the organization's sustainability in the procurement procedure such as the number of sources of products and services, potential effects on the procurement procedure, use of child labor and effects on purchasing illegal raw materials, etc.

**3. Critical Analysis :** The assessment criteria of suppliers' importance are as follows :

- Partner (High Risk High Expenditure)
- Leverage (Low Risk High Expenditure)
- Risk (High Risk Low Expenditure)
- Shop (Low Risk Low Expenditure)

**4. Mitigation Measures:** The criteria for developing mitigation measures are based on the risk assessment and critical analysis in order for the company to be able to handle suppliers with high risks and high importance, with major principles as follows : (GRI 414-2)

- **Strategic Partner, Marjor/Preferred Supplier :** Suppliers with high or very high expenditure level, supplying goods that cannot be substituted with others or goods that are classified as critical parts. These suppliers are considered to be in the High Risk Tier and shall be assessed every year. Site visits and interviewing executives or employee members are required. Suppliers shall also prepare the plan and protocols to minimize the severity of potential risks, as well as the audit plan to ensure that suppliers' sustainable practices are in place and that the company is capable of managing risks to be in the level that does not impact the business, communities and the environment.

- **Regular Supplier :** Suppliers with moderate or low expenditure and risk levels. These suppliers are not included in the High Risk Tier and do not have to go through supplier evaluation process, sustainable practice assessment and assessment of related bodies, i.e. Sourcing Unit, SBU, Specialist, GRC, etc.
- **Oligopoly :** A market has more than one seller, but this is not enough to prevent each manufacturer from influencing the pricing in the market. When a particular manufacturer changes the price and quantity of the product, it will have an impact on the competitors. And it is often done by responding to a market with few vendors as large production is needed in order to reduce the production cost. Most of them are heavy industries such as cement, steel, etc. and often have a medium to high amount of use. With the risk being at the medium or high level, it is considered to be in the High Risk Tier.

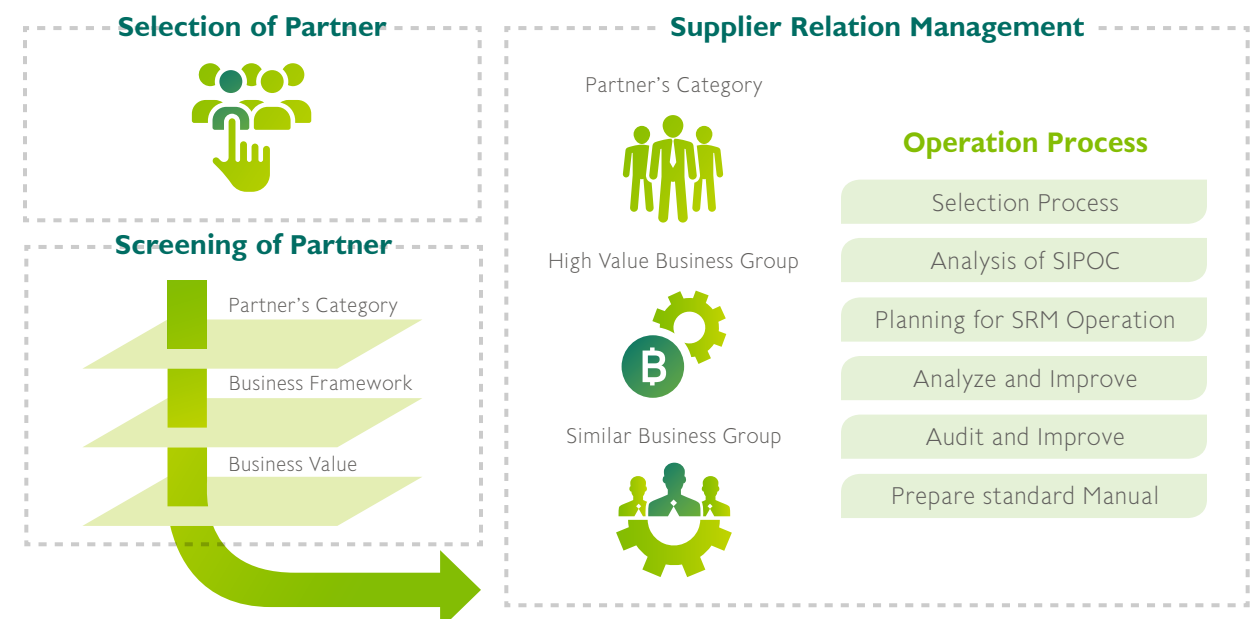
### Suppliers Inspection and Evaluation

The company has implemented suppliers inspection and evaluation processes in order to assess risks, prepare corrective actions and evaluate outcomes after executing corrective actions, with consideration of quality, quantity, safety in production and delivery according to the company's regulations, as well as labor laws and regulations, environment laws and several quality assurance standards such as ISO 9001, ISO 14001, OHSAS 1800, etc.

The company employs a fair and transparent approaches in selecting, assessing and inspecting suppliers, with strict adherence to the principles of corporate governance, business stability, suppliers' accountability and their ability to respond to the company's needs. Supplier management measures include

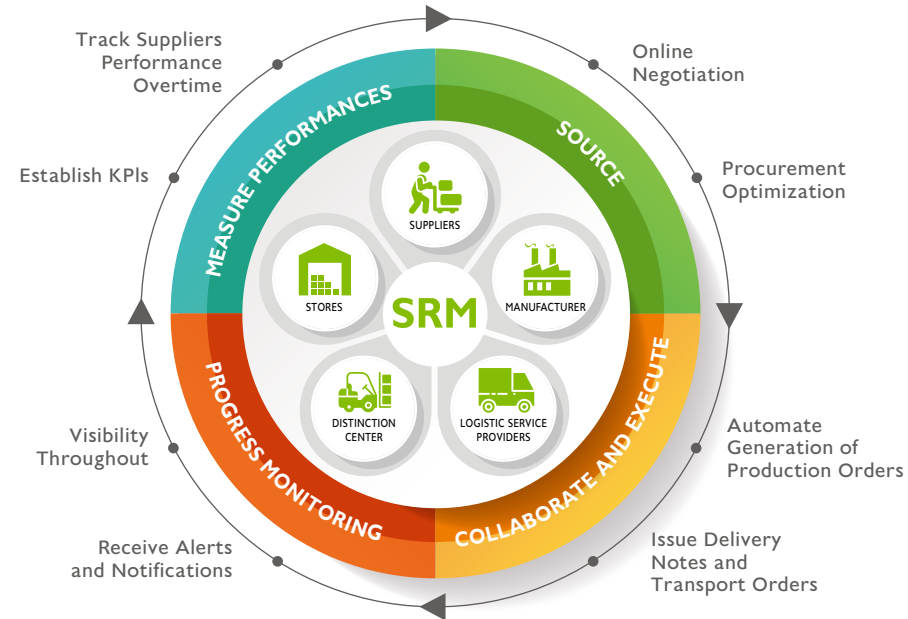
- **The preparation of Approved Vendor List: AVL / Qualified Vendor List :** QVL, selection of potential suppliers to join suppliers registration management under the supervision of partner registration board and the partner registration working group. In addition, to manage the risk of product delivery, the company has included the condition in the TOR, dictating that suppliers' operations must be lawful and control is to be exercised to ensure compliance as agreed, especially for risk-prone projects such as safety, occupational health and environment, etc. In this regard, risk evaluation for contractors is utilized (Contractor Management) in order to identify contractors with potential. Suppliers whose scores do not meet the requirement will not be selected.
- **Using questionnaires (Request for Information: RFI)** and initial assessment of suppliers (Pre-Qualification Form). The assessment criteria are based on suppliers' potential in terms of their readiness to provide service, production capacity, transportation, safety, occupational health and environment, industrial standard and they must operate their businesses using the company's direction in sustainability practices to ensure that they are qualified and have reliable management and operations.

### Suppliers Auditing and Evaluation Process



## Suppliers Relationship Management

The company has regulated supplier management measures in order to ensure standardized practices of suppliers' operations and to ensure their ability to supply higher quantity of products, to meet targets and to maintain the quality of products, services, good relationship between suppliers and the company, and to encourage suppliers' awareness of the company's standpoint in sustainability issues.



## Relationship with Suppliers

The company is well aware of the importance of fair treatment of suppliers on the basis of fair compensation on both sides. Thus, the company provides truthful information and accurate report, fulfills obligations, negotiates for resolutions to the problems while maintaining business relationships, and avoids situation that are susceptible for conflicts of interest, by observing the following practices :

1. Employees must retain confidential information obtained from the sellers such as prices, patents, production schedule and product information. Disclosure of this information is allowed only when permission is given. (Respect the Confidentiality of Information)
2. Employees shall request for a price bid, comparison of price, quality and different terms and conditions in order to ensure fair competition. In this regard, "Covert Auctions" are prohibited as they are considered fraudulent, for instance, disclosing price of the first seller to the second seller to offer lower price, and use the price offered by the second seller to negotiate with the first seller to offer an even lower price.
3. Employees must maintain relationship with suppliers with fairness and must not call for or accept any properties or any other commercial benefits dishonestly from the suppliers both directly and indirectly.
4. Employees must treat every suppliers fairly, for instance, inform them of the price bid opportunity using the same content and at the same period of time.
5. Employees must be transparent in persuading the suppliers to propose price or participate in the price bid (Transparency in Criteria of Invitation to Tender) in order to ensure fair competition for every supplier.
6. Purchasing employees must be transparent in considering the prices proposed by suppliers (Transparency in Evaluating Bids) and must be able to explain the consideration criteria and decide upon which suppliers is successful in the price bid. (Transparency in Evaluating the Successful Supplier)
7. Employees must strictly protect the company's confidential information when dealing with suppliers and keep all the information received from suppliers or price bidders strictly confidential.
8. Employees must strictly comply with all the conditions exercised on suppliers. In case of not being able to comply with such conditions, suppliers must be informed ahead of time in order to mutually find reasonable solutions.

9. The company shall not take advantage of suppliers and will always consider the benefits or potential damages in terms of the company's reputation and image through the eyes of outsiders.
10. Employees in charge of procurement activities shall provide accurate, clear and adequate information to suppliers and equal opportunities are to be given fairly to all suppliers.
11. Employees in charge of procurement activities must listen to opinions or advices given by suppliers in order to make improvement where necessary.
12. Make negotiations on the basis of fair business relationships for both sides with open and evidence-based approaches.

## Activity to Create Relationship with Suppliers (GRI 103-3)

The company is aware of good relations with partners in all regions, therefore held joint seminars for company's team and suppliers in various regions to strengthen the understanding of operational procedures as well as building good relationship by organizing Pruksa PRC Roadshow activities annually and in the year 2019, there were companies per event.



## Pruksa Supports Product of Suppliers at The Community Level to Generate Sustainable Income for The Community (GRI 103-3, GRI 204-1)

The company, together with Thaipat Institute, has organized the Community Goods Support for Sustainable Income Generation Project for the 3<sup>rd</sup> year. This is to promote the generation of income for the community by purchasing various products promoted by the government agencies such as Community enterprise, OTOP and Bangkok Brand to use as snacks in organizing various corporate activities. In 2019, the company helps to create economic value, generate income and improve the quality of life for 7 communities worth 46,000 baht.



## Anti-Corruption

The company is well aware that the Corruption has affected and is a hindrance of social and economic developments in Thailand which produces a business unfairness and effects to business ethics, competitiveness and it is unacceptable in the country and overseas as well as it leads the company's stakeholders; shareholders, investors and all stakeholders having no confidence to the company. Therefore, the company has complied with anti-corruption law in Thailand and established principle of business operation not supporting any business, group of persons or those who has unlawfully participated in, directly or indirectly, exploitation from its power and duty. (GRI 103-1)

The company has evaluated the impact of anti-corruption using the assessment of important risks for the group of real estate business and the group hospital business as well as internal and external contact departments. Therefore, the company has established a control system to prevent corruption in order to reduce the impact that may occur from corruption as follows :

(GRI 103-2)

### • Major Risks that have been assessed as corruption (GRI 205-1)

The company has assessed the risks associated with corruption in general. Currently, the businesses that are under this operation are the group of real estate business and the group of hospital business by having a control system to prevent the risk of corruption according to the type of corruption as follows :

Significant Risk	Description	Control System to Prevent Corruption
<b>I. Real Estate Business</b>		
Risk of bribery in applying for permission to proceed with construction of buildings/structures.	The company's business operations, in the development of residential real estate projects to deliver to customers, must contact many government agencies to request permissions to allocate land, to construct, to use the building (for high rise projects or condominiums) and to issue condominium ownership such as district office, land office or local authorities which may be a risk of being asked or being offered a bribe for convenience and fast response.	<ul style="list-style-type: none"> <li>Set clear anti-corruption policies/ measures and communicate throughout the organization.</li> <li>The company's work processes are done through the form of committee; which consisted of high-level executives with expertise in land and land development, business, finance, legal and governmental requirements in the aspect of risk control.</li> <li>Clearly Designate a department and a person in charge to apply for a building permit or contact government agencies.</li> <li>Hiring an consultant to apply for a building permit on behalf of the company.</li> </ul>

Significant Risk	Description	Control System to Prevent Corruption
Risk of bribery in registration of foreign workers and act of the welfare	The shortage of labor in the construction industry affects the real estate business. In order to prevent hiring illegal workers and contractors, the company has liaised with government agencies such as local social security office, department of skill development, embassy according to the nationality of foreign workers, department of labor protection and welfare as well as royal Thai police and department of provincial administration. Thus, there may be a risk of bribery to government official by an agency or a third party on behalf of the company.	<ul style="list-style-type: none"> <li>Issuing announcements from the top executives to control illegal employment.</li> <li>Establish a control measurement for foreign workers by scanning QR Code on the foreigner workers' identification cards, that the company issued to the legal registered workers.</li> <li>Establish a human resource (Foreign Worker) department and professional safety officers (security officers) in every line of business to obtain a comprehensive and thorough investigation in labor and safety offenses.</li> <li>Evaluating vendors / contractors in order to control the contractor who has procured foreign labor into operation to be in accordance with policy specified by the company.</li> </ul>

## 2. Hospital Business

The risk of bribery in implementing in accordance with EIA measures of hospital buildings.	To construct an extra large building that the company will use for a hospital building, there must be a report for Environmental Impact Assessment (EIA) and the implementation of corrective-preventive measures specified in the EIA report; then submitted to expert committee at least once a year as required by law. Thus, there may be a risk of bribery to government officials in order to speed up the process.	<ul style="list-style-type: none"> <li>The company has set the policies and the anti-corruption measures for Pruksa Holding Company Limited and the subsidiaries in order to show the intention in complying with the law of Thailand on fighting against corruption to acknowledge employees and stakeholders.</li> <li>Establish a working group to supervise and control the construction, including monitoring corrective and preventive measures identified in the EIA report; by establishing a working plan and meeting to monitor the progress in Vimut Management Committee (VMC) meeting.</li> <li>Set a Job Profile for the person who will take major responsibility in contacting government agencies to be under a specific business department. The internal audit department will take the responsibility for inspecting departments' operations.</li> </ul>
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Significant Risk	Description	Control System to Prevent Corruption
		<ul style="list-style-type: none"> <li>Hiring an Outsourcer, who has the expertise in preparing the EIA report for hospital building, to contact with the government agencies in filling documents and processing matters in order to reduce the risk and impact that may occur on using the legal gaps in corruption.</li> </ul>
Risk of bribery in filing a request for permission to open a medical facility.	To operate a private hospital, the approval of the establishment plan and establishing a hospital for inpatient plan shall be submitted to Health Service Business Center, Department of Health Service Support, Ministry of Public Health for approval prior to the construction and submitting request for hospital operation. Including notification of possession or use of medical X-ray generator. In the process of contacting government agencies, there may be a risk of offering or requesting a bribe for the convenient and speed in the operation.	<ul style="list-style-type: none"> <li>Establish work plans to set a clear time frame in requesting to open a hospital. With the Vimut Management Committee (VMC) monitoring the progress of the project.</li> <li>Establish a clear personnel* to be responsible for contacting the government agencies in filling and processing matters; in order to reduce the risk and the impact that may occur from the use of legal gaps in the act of corruption</li> </ul> <p>Note : * In the process of recruiting personnel in accordance to the hospital opening plan.</p>

**• Communication and Training about The Knowledge on Policy and Practice of Anti-Corruption of The Company** (GRI 205-2)

- Organize a training course on Pruksa Ethics focusing on anti-corruption for new employees on the orientation day. All employees must pass the given test and sign the ratification.
- Organize a CG test to raise awareness of ethics and good governance for executives and employees at least once a year. For 2019, we have conducted a test to strengthening ethics in work transparency; with executives and employees accepting the policy and assessment on the knowledge of anti-corruption which can be calculated as 99.83%.
- Arrange for a questionnaire for conflicts of interest by disclosing themselves, all executives and employees the information. Thus, the company can conduct good governance, transparent and fair to all parties.



- Organize a CG DAY activities every year by inviting director and senior executives to participate in the lecture on “Cultivating CG - DNA in Pruksa People” and holding a contest for “Values Promoting Morality, Bring Sustainability”. Executives and employees are to submitted work performance according to good governance to participate in the contest for both individual and team. This will raise awareness on having a good conscience against anti-corruption for executives and employees.
- Train employees in the project (Zone Visit) throughly to raise awareness of the importance of good governance and corruption in Don Mueang, Bang Na and Pathum Thani area.
- Executives and employees participated in activities and listen to a keynote address from Prof. MD. Kasem Watanachai, Privy Councilor on the topic “Business Ethics for Sustainable Development” in the 17<sup>th</sup> annual Thai Chamber of Commerce Business Ethics Awards of the year 2019 under “Business Ethics for Sustainable Development : Code of conduct for sustainable business.”



- Executives and employees participated in the anti-corruption day 2019 under the concept “Fighting Corruption Together” on Friday 6 September 2019.



- Executives and employees participated in the International Anti-Corruption Day (Thailand) 2019 under the concept “Zero Tolerance” on Monday 9 December 2019.
- Communicate with employees to acknowledge and be aware of the importance of corporate governance and corruption continuously through company’s various public relations channels
- Communicate on the topic of the corruption problem within the organization and the penalties of executives and employees as a case study in order to raise awareness about anti-corruption as well as preventing employees from behaving unethical.

• **Supporting and Promoting External Organizations to join as an Anti-Corruption Network Partner**



- The company has been certified as a private sector collective action coalition against corruption (CAC-Thailand's Private Sector Collective Action Coalition Against Corruption) and is a Change Agent to support and publicize small and medium-sized suppliers (SME). By participating in details of the CAD-SME Executive Briefing for better understanding of the SME certification process, this will help SME businesses having the right tools for the development of internal practices and mechanisms that help prevention from receiving or receiving bribery as large businesses do and create a transparent internal operations.



- Be a network partner in the 10<sup>th</sup> National Moral Assembly under the topic "1 Decade to build a Moral Society: discipline, reflecting the national Discipline" in order to drive Thai society to a moral society. The company has joined booth in order to give knowledge on "Operations in accordance with the principles of corporate governance" as well as distributed 500 sacred trees.



- Dr. Pisit Leehtam, Chairman of the board of directors and independent director, joined the discussion on "Thammanoon Suchon, the way to good governance organization" of the National Health Commission. The executives and employees were also participated in the activity on 8 February 2019.



- Executives joined the panel discussion "Business Code of Conduct for sustainable growth" under the topic of Business with Code of Conduct and Sustainable Growth in the mobile ethics project at Khon Kaen and Songkhla provinces organized by the Thai Chamber of Commerce.
- Executive participated as a guest speaker to provide knowledge in "Speaker to promote Morality Against Corruption" training in central region by Moral Promotion Center (public organization) which focuses on building a mechanism to prevent corruption, create awareness and create immunity according to the master plan for promotion of morality No.1, Ministry of Culture. The Moral Promotion Center focuses on the importance in creating a keynote speaker to promote morality in various provinces around Thailand.
- Supporting rewards at the National Children's Day 2019 at the Anti-Cheating Museum, UDD.



- The company received the certificate to support the project to assess the morality and transparency in the operations of the private sector. This is according to the office of the National Anti-Corruption Commission (Office of the NCC) who conducted an evaluation experiment with a measure of the morality and transparency in the operations of the private business organizations during 2018-2019.

**Promote Policy and Practice of Anti-Corruption to Organizations Outside The Company**



- The company has notified the policy of not accepting gifts “No Gift Policy” to executives, employees, brokers and suppliers through various public relation channels both inside and outside of the company e.g. Screen Desktop, Digital Signage, Roll Up and letters. This is included no policy to receive any form of financial support from financial institutions.
- Notify the policy of not support bribery or gratitude to government agencies and other interested parties.



- Notify suppliers and land brokers about the channels of complaint via attached file, auction book, Tender Document, land proposal method and land registration agreement, land purchase regulations and conditions according to good governance.

**Channels for Reporting Clues/Complain Corruption**

The company has clear channels for reporting clues/complaints about corruption in order to receive complaints from executives, employees, customers and suppliers while providing fair treatment to all parties and providing protection to employees or individuals who report frauds as specified. All complaints will be submitted to the Chairman of the Board of Directors, Chairman of the Executive committee and chief executive officer, cooperate governance committee chairman and chairman of the audit committee are informed and kept the information confidential.

In addition, the company also stipulates that the reward is given to those participate in anti-corruption by reporting clues to the company. They will also be receiving a certificate of honor from the company’s top executive.

**Channels for Reporting Clues/Complain Corruption**

- www.psh.co.th / www.pruksa.com  
Topic “Complaint/ Whistle Blowing/ Request for Fair Treatment”
- cg@pruksa.com
- @pruksacg
- Telephone : 0 2080 1739 ext 48611, 0 84 555 2364
- Pruksa Holding PCL (Headquarter)  
1177 Pearl Bangkok Building, 23<sup>rd</sup> Floor,  
Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400

**Number of Corruption Incidents in 2019** (GRI 103-3, GRI 205-3)

The Event of Corruption in 2019	Number of Expected Events (Target)	Number of Event Happening
Total number in 2019 (From all compliant channels regarding all corruption with or without evidence.)	0	18
Number of events that have been managed in accordance with the anti-corruption measures. (From the consideration of relevant evidence and there is a committee to investigate the fact.)	0	8
Number of events that employees are fired or breach of discipline in corruption. (The committee has already investigated the fact, found relevant prove and punished employees.)	0	4
Number of legal cases or the result of the case is related to corruption	0	1
Number of events that is conducted in accordance with the law on antitrust and monopolies (trade partners)	0	0
Number of events of canceling a contract with suppliers or not renewing due to fraud and corruption	0	1

Note : Number of corruption incidents is the total number complaints made to all channels relating to corruption on both with and without evident. Therefore, the information on the number of incidents that have been investigated and punished is less than the total number of complaints

The company has been certified as a Private Sector Collective Action Coalition Against Corruption (CAC-Thailand’s Private Sector Collective Action Coalition Against Corruption). This certificate is a result in which the company has clearly set policies for directors, executives and employees to implement the anti-corruption policy as well as setting measures to prevent corruption within the organization according to the guidelines of the CAC. (GRI 103-3)



# Environmental Operations for Sustainable Growth

## Environmental Operations within The Organization

The company is committed to business development to promote economy, society and environmental conservation. With the consideration of the impact on environment and health from business operations, we produce quality products and services along with instilling values in the minds of employees in working according to good governance. Considering the interests of all groups of stakeholders, the company has environmental guidelines as follows : GRI 103-1)

- Cooperate and comply with laws and other environmental arrangements.
- Separate waste every time before throwing away for the benefit of management.
- Control and manage the quality of wastewater from production process in order to make it corrects and appropriates.
- Saving and conserving energy related to production by controlling and handle waste volumes correctly.
- Using resources effectively and efficiently by recycling them instead of discarding, and focus on the procurement of renewable energy to reduce greenhouse gases.
- Promote and fully support environmental activities by cooperating with the government, private sector and neighbouring communities.
- Create quality of life and good hygiene for employees.

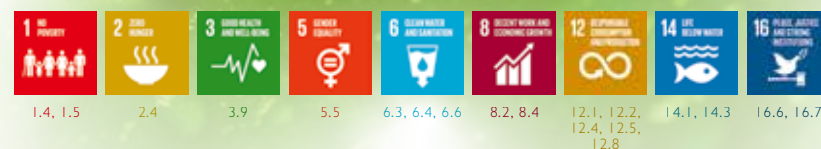
And from the toxic dust situation in Bangkok and its surrounding provinces that is over standard, the company therefore announced the operational guidelines to prevent and solve the problem of PM 2.5 dust in order to prevent and solve problems that will affect the general public and communities nearby the company's projects as follows :

- Strictly prohibited cars with black smoke from entering the project premises and shall not leave the car engine running.
- Recommendation changing from diesel trucks or delivery vehicles to gasoline.
- Install a water spray system at the construction area to prevent dust diffusing to affect people nearby.
- The amount of dust will be measured and the results will be reported daily with solution and prevention guidelines.

In addition, the company has guidelines for employees health care in order to alleviate the impact caused by PM 2.5 dust situation which is higher than the standard as follows :

- Employees who are pregnant or have a respiratory disease that need to avoid dust, they can work at home or residence between 31 January - 28 February 2019 or until the situation improves.
- Employees who need to take care of their children who are unable to attend school as usual because of the school holiday notice, they can work at home or residence between 31 January - 5 February 2019 or according to school's announcement of disruption due to weather conditions that may occur in the future.

# ENVIRONMENTAL



## Environmental Operation within The Office (GRI 103-1)

The company has continuously encouraged and campaigns for employees to participate in environment stewardship under the Smart Efficiency project so that all employees are aware of energy conservation by using energy and resources as necessary and suitable. This will result in the company reducing unnecessary expense with the following projects.

1. Set the area for turning on-off the lights as necessary. Since some work areas within the company are formatted for a mobile office which employees will not be in regularly, the company has set the color on the light switches so they can be turned on only when employees are in the office from 8:00 in everyday.
2. Create Internal Online public relations media. This is to ask for cooperation from all employees to help turn off the meeting room lights after leaving the meeting room. This will create awareness of using energy which is valuable, and this can be done at both office and employees' home.
3. Campaign for employees to help turn off the lights during lunch hour. Since most of the employees are going out for lunch, there is no need for electricity to light up the work area.
4. Show the electrical cost of each floor so that employees in each floor aware of the expenses and can compare the electrical cost of their floor vs the other floors.
5. Campaign to reduce paper usage by using electronic system instead of using printed paper e.g. Paperless meeting, communicate via Line/Email.
6. Using reusable paper to print and a make photocopy including double check documents prior printing instead of print to check. This will reduce the amount of wasted paper which help reduce the company's expenses.
7. Requesting cooperation from employees to help monitoring the use of electrical equipment during long holidays in many festivals by unplugging and turning off all type electrical equipment. This will save energy and reduce the risk of fire.

(GRI 103-2)



## Campaign Results for Employees Engagement in Environmental (GRI 103-3)

	2018 Unit : kWh	2019 Unit : kWh	Reduced Amount Unit : kWh
Electrical energy consumption	500,546.00	407,054.00	93,492.00
Expense	2,753,003.00	2,238,797.00	514,206.00

The usage of electrical energy in the year 2019 reduces from the year 2018 in the amount of 93,492.00 kWh. This helps reduce greenhouse gas emissions by 54.42 tons of carbon dioxide per year and also help reduce expenses for the organization by 514,206 baht/year.

## Environmental Operations Collaborates with Associate Network for Sustainable Development

In addition to 2019, the company has been a part of driving society with accordance with sustainable development policy, Heart to Earth which cares for the affect to environment through the following projects.

### • 2<sup>nd</sup> Year of “60+ Earth Hour 2019” Project

We support the activity “60+ EARTH HOUR 2019” organized by Bangkok, Foundation for Environmental Education for Sustainable Development (Thailand): FEED and WWF Thailand to campaign and invite executives, employees, customers, including the general public to turn off the unnecessary lights for 1 hours. Be a part that help reduce environmental impact by reduce electricity consumption in Bangkok and its surrounding provinces 1,514 MW and helps reduce greenhouse gas emission equivalent to 749 tCO<sub>2</sub>e/y. Help create economic value for Thailand by reducing electricity expenses of 6,050,021 baht/year.



Reduce Electricity Consumption in Bangkok and Its Surrounding Provinces

**1,514 MW**



Reduce Greenhouse Gas Emission (GHG)

**749 tCO<sub>2</sub>e/y**



Reducing Electricity Expenses

**6,050,021 Baht/Year**

• **“DIY Transform Waste into Oxygen” Activity**

Together with the Phaya Thai District Office organized “DIY transform waste into oxygen” activity. Inviting employees, students, and people in the Phaya Thai District community to reduce the disposal of plastic waste. And promote the reuse of used water glasses/plastic bottles to maximize benefits before discarding as waste by adapting it into a plant pot by planting 7 type of air purification plants in total of 2,090 trees. Help reduce environmental impact. By reducing the number of waste plastic 2,090 pieces, it will reduce greenhouse gas emission equivalent to 45.504 tCO<sub>2</sub>e/y and increase the oxygen by 246.48 tons/year.



• **“Pruksa Do Good Deeds By Planting Yellow Star Trees In Honor of King Rama 10” Activity**

Together with the Phaya Thai District Office organized “Pruksa plants Yellow Star trees together and do good deeds In honor of the King” activity. Executives and employees jointly planted Yellow Star trees, which have been chosen to symbolize the reign of the King Rama 10, in the area of Phaya Thai Phirom Park for 300 trees to honor and show loyalty on the celebration the birthday of His Majesty King Bhumibol Adulyadej Ramathibodi Sri Sinthon Mahawajirajonakorn Phra Wachiraklao and help increase green areas for Bangkok residents. Helps reduce environmental impact by reducing greenhouse gas emissions equivalent to 45 tCO<sub>2</sub>e/y and adding oxygen by 1,204.5 tons/year.



• **“Pruksa Save the World” Project**

Inviting executives and employees to jointly separate 15,870 of waste plastic bottles and deliver to Chak Daeng temple so they can be processed through Upcycling, processed into recycled fibers and sewed into 1,058 robes of monk robes. This generates revenue for Khung Bang Ka Chao community. Helps reduce environmental impact. Reducing 154 kilograms of plastic waste helps reduce greenhouse gas emission equivalent to 0.36 tCO<sub>2</sub>e/y and helps create economic value for Bang Ka Chao community so they can create income from the sale of monk robes that made from recycled plastic.



• **“Pruksa Lady’s Month” Project**

Inviting executives and employees to jointly donate 288 used bras for recycling, making crafts, making profits, create a career for women in Emergency Home under the Association for the Promotion of the Status of Women under the Royal Patronage of HRH and take the bras that worn down into the process of degradation to be used as a replacement fuel for coal in the production of cement. Helps reduce the environmental impact by reducing the amount of 28.8 kilograms of waste. This helps reduce greenhouse gas emission equivalent to 0.07 tCO<sub>2</sub>e/y.



**Pruksa No Plastic Bag Project**

Inviting executives and employees to reduce the usage of plastic bags for Thai Environmental day by using cloth bags, reduce and stop using plastic bags, and post photos of the denial of accepting/using plastic bags on Facebook. These together will raise awareness for environmental conservation for the world.



**Environmental Operation at Pruksa Precast Lam Luk Ka and Navanakorn**

The company intends and strives to improve and protect the environment to comply with specified standards appropriately and continuously. With the intension for customers, employees and community to be aware that the company is responsible and committed to improving environmental management including pollution prevention in every work continuously. Therefore, we have guidelines for environmental operations at Pruksa Precast Factory Lam Luk Ka and Navanakorn as follows : (GRI 103-1)

- Creates quality of life and good hygiene for employees.
- Cooperates and complies with regulations, laws and other requirements related to the environment.
- Always separates waste prior throwing away for the benefit of management.
- Controls and manages the quality of wastewater from the production process correctly and appropriately.
- Saves and Conserves energy that related to production by controlling and handle the waste volumes correctly.
- Uses assets efficiently and effectively by recycling instead of discarding, and focus on procurement of renewable energy to reduce greenhouse gas.
- Fully promotes and supports environmental activities by cooperating with government, private sector and neighboring communities.

**Environmental Committee**

The company is committed to creating an environmental management system. And in order to effectively manage the environment within the factory and community, therefore announced at 001/2019 the appointment of an environmental committee consisted of environmental management representatives, environmental consultant, committee on environment, and the environmental document control with roles and duties as follows :

- Establish environmental policies and programs.
- Establish objectives, targets and environmental programs that are consistent with the policy.
- Establish a report and suggesting standards or guidelines for improvement in accordance with environmental laws.
- Promotes and supports environmental activities in workplace.
- Promotes, raise awareness and provide training for environmental knowledge to employees.
- Communicates with employees and related parties both inside and outside the organization to be thoroughly informed and understood.
- Monitors the progress of the organization's environmental performance.
- Provides annual environmental performance report to senior executives.

**Environmental Works in Construction Projects**

To comply with National Environmental Protection and Promotion Act 1992, which requires companies that allocate land for housing or commercial purposes with number of land plot of greater than 500 plots or an area of greater than 100 rai, to submit Environmental Impact Assessment (EIA) report to the Office of Natural Resources and Environmental Policy and Planning when in the process of requesting land allocation permission, prior to the project construction, and during project construction and operation phases. There are 4 aspects of EIA analysis as follows : (GRI 103-1, GRI 103-2, GRI 307-1)

1	Physical Resources
2	Ecological Resources
3	Human Use Value
4	Quality of Life Value

**Prevention of Environmental Impact Assessment in Residential Projects (EIA)**

In 2019, the company submitted Environmental Impact Assessment report and it was approved by the Office of Natural Resources and Environmental Policy and Planning. EIA report with specializes in 13 projects as followngs : (GRI 103-2, GRI 103-3)

**Townhouse**

- Baan Pruksa Pattaya - Tung Klom
- Pruksa Ville Chaofah - Thep Anusorn

**Single Detached House**

- The Plant Monument

**Condominium**

- The Tree Victory Monument
- The Tree Phatthanakan - Ekkamai
- Plum Condo Rangsit Alive
- The Privacy Jatuchak
- The Privacy S101
- The Privacy Taopoon Interchange 1
- The Privacy Taopoon Interchange 2
- Chapter Thonglor 25
- Chapter Chula - Samyan
- The Tree Charan - Bang Phlat



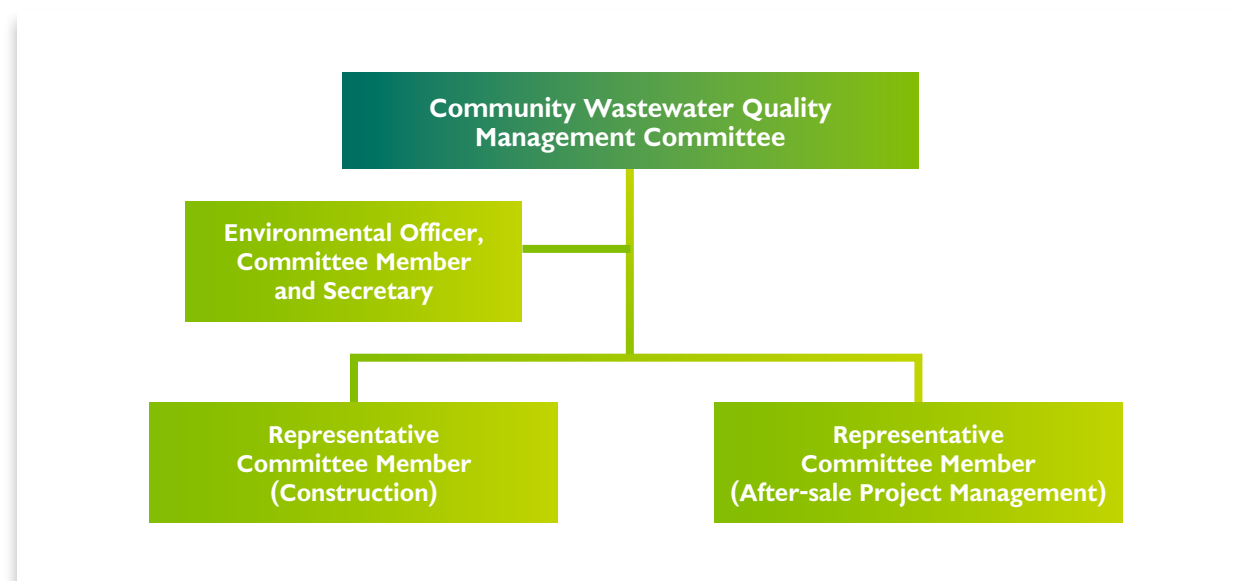
## Environmental Works in Construction Project (GRI 103-2)

- Establishing personnel to oversee wastewater quality of projects, both in construction phase and in after-sales phase.
- Training and educating employees and partners to ensure that they know the correct principles of operation, how to record wastewater treatment system operation, and basic wastewater treatment system checking.
- Assessing compliance with environmental laws and other requirements.
- Monitoring daily air quality to alert the employees, as well as requesting budget to distribute masks to employees.
- Examining the performance of employees and partners to ensure that it is in line with the standards set by the company and complies with the law.
- Inspecting machines and equipment within wastewater treatment system by partners with expertise in specific field.
- Reviewing environmental management system by senior executives to ensure that the system is suitable and effective.

## Community Wastewater Quality Management Committee

The company has placed its importance and attention on wastewater quality management among its projects, by supervising and monitoring operations, recording details, and submitting a summary report on wastewater treatment system in accordance with the Environmental Quality Promotion and Conservation Act 1992. The company appoints Community Wastewater Quality Management Committee according to Announcement PS41 / 2019. The Committee consists of 10 members representing the related department is tasked to effectively manage the wastewater quality. The roles, duties and responsibilities of the committee are as follows :

1. Set policies, strategies, and consider work plan for wastewater quality management.
2. Coordinate and communicate the wastewater quality management plan to staffs working in operation level, both employees and contractors.
3. Supervise the company's operators controlling wastewater system to ensure compliance with the wastewater management laws and regulations, as well as setting guidelines to improve any flaw within the system and report such problems to the management.
4. Support and drive effective wastewater quality management in terms of resources and budgets.
5. Schedule monitoring of wastewater treatment system and inspect according to the plan, and prepare summary report on the result of examination to be submitted to the committee meeting for review regularly.



In 2019, the company installed solar cell to help reduce the cost of electricity used 24 hours a day for wastewater treatment system in the long-run for 10 Pruksa housing projects running by juristic person.



## Training to Create Environmental Knowledge and Understanding

In 2019, the company trained employees the knowledge of environmental. The 20 batches of training were conducted to educate 373 participants on how to record the wastewater treatment system statistics. With regard to this, 341 participants have passed the examination, accounting for 91.4 percent.



20 Batches of Training, 373 Participants, 341 Participants have passed The Examination  
Accounting for **91.4%**

The company also provides knowledge for Housing Estate Juristic staffs and more than 85 resident living in Rangsit, Khlong Sam, Pathum Thani community and provides the handbook on wastewater management for community environment to Subdistrict Administration Organization and juristic persons, in order to jointly manage the water at Rangsit Khlong Sam to be in sustainably good quality.



In addition, the company also creates an intranet to support the recording of wastewater treatment statistics to be used as a database and learning sources for employees and partners to submit information and review operations by themselves.



## Efficient Resource Management

The company has policies and guidelines for the efficient use of resources for sustainable business operations and they have been implemented in Pruksa Precast Factory at Lam Luk Ka and Navanakorn which is the first green precast concrete Factory in Thailand. The environmentally friendly production systems for both plants include : (GRI 103-1)

- Water released from batching plant effluent management system and water used in the production of reinforced concrete and concrete scraps usually have high alkalinity, which is toxic to the environment. The company, therefore, set up a sedimentation tank and concrete recycling machine to recirculate precipitated water back into the concrete production process. The rock and sand that are separated can be reused as a mixture of concrete, so there is no waste material from the production.
- Dust prevention and removal system: the company has installed the dust collector, side cleaner with a vacuum system (shuttering cleaner with dust collector), pallet cleaning machine with a vacuum (cleaning pallet with dust collector), and closed system batching plant (Tower plant) with conveyor to transport stone, cement and sand in a closed system to prevent diffusion of dust from the production process.
- Prevention and reduction of noise in the factory using the Shaking System, concrete tightening machine causing no noise pollution within the factory and against neighboring communities, instead of Compacting System.

In 2019, Pruksa Precast Factory Navanakorn obtained Green Industry Award Level 4 (Green Culture) from the Ministry of Industry, as the company has operated its business in an environmentally friendly manner and "paid attention to precast production process" under systematic environmental management, both internally and externally, with processes to follow-up and review for continuous development, as well as encouraging all employees to work with environmental awareness to become a corporate culture.



## Effective Use of Electricity and Energy

The company is well aware of the greenhouse gas emission which causes global warming. The company, therefore, has a guideline to reduce electricity usage and utilize solar energy with the target to reduce electricity consumption by at least 10% from 2018, compared to the quantity of cement produced in cubic meter. (GRI 103-1)

In 2019, the company had a proportion of electricity consumption of 99.75%, while solar energy usage was 0.25%.



## Electricity Consumption (In Relation To Cement Produced)

Location	2018		2019		Percentage of reduced electricity consumption, in relation to cement produced (GRI 103-3)
	Cement Produced (Cubic Meter)	Electricity Consumption (Kwh/y)	Cement Produced (Cubic Meter)	Electricity Consumption (Kwh/y)	
Pruksa Precast Factory Lam Luk Ka	195,138.08	4,977,480.00	232,005.73	5,652,930.00	4.5%
Pruksa Precast Factory Navanakorn	172,300.49	3,559,600.00	186,501.34	3,697,217.59	4.4%

- Remarks :
- Pruksa Precast Factory Lam Luk Ka's electricity consumption decreased by 4.5%, compared to an increase in cement production by 18.9%
  - Pruksa Precast Factory Navanakorn's electricity consumption decreased by 4.4%, compared to an increase in cement production by 8.2%



## Activities that effectively reduce electricity usage

### Pruksa Precast Factory Navanakorn

No.	Activity To Reduce Electricity Usage	Electricity Usage in 2018 (Kwh/y)	Electricity Usage in 2019 (Kwh/y)	Reduced Usage (Kwh/y)	% of Reduced Usage (GRI 103-3)
1	Replace the internal light bulbs in PCF7 factory with LED	34,560.0	14,400.0	20,160.0	58.3%
2	Office lighting PCF7 : LED	5,512.3	3,421.4	2,090.8	37.9%
3	Street lighting Logistic Hub : LED	6,264.00	2,160.0	4,104.0	65.5%
4	Air Compressor : Inverter	1,060,882.9	493,131.6	567,751.3	53.5%
	Total	1,107,219.3	513,113.0	594,106.2	53.7%

### Pruksa Precast Factory Lam Luk Ka

No.	Activity To Reduce Electricity Usage	Electricity Usage in 2018 (Kwh/y)	Electricity Usage in 2019 (Kwh/y)	Reduced Usage (Kwh/y)	% of Reduced Usage (GRI 103-3)
1	Increase LED 200W light bulbs at PCF3 from 124 to 164 units (from total 164 units)	40,800	36,800	4,000	9.80%
2	Replace 19 lamps of 150W LED at the stock yard fence line	33,288	12,483	20,805	62.50%
3	Replace 39 units of 200W street lamp with LED	34,164	17,082	17,082	50.00%
4	Replace 100 units of 32W fluorescent lamp with 16W LED	28,032	14,016	14,016	50.00%
	Total	136,284	80,381	55,903	41.02%

## Using of Solar Energy

The company uses solar energy to reduce electricity usage at Prukca Precast Lam Luk Ka and Navanakorn factories, allowing both factories to reduce the amount of unnecessary electricity usage, using the following activities.

- Implement solar cell aeration turbine
- Install solar cell water pump in the health garden
- Install solar cell street lights at logistic hub

Activity / Place of Data Collection	Solar Energy Usage (Kwh/y) <small>(GRI 103-3)</small>	
	2018	2019
1. Aeration turbine at Prukca Precast Factory Lam Luk Ka	0.01% <small>(from total electricity consumption of the year 2018 of 4,977,480 kWh/y)</small>	0.01% <small>(from total electricity consumption of the year 2019 of 5,652,930.00 kWh/y)</small>
2. Aeration turbine, health garden water pump, street lamps at at Prukca Precast Factory Navanakorn	0.25% <small>(from total electricity consumption of the year 2018 of 3,559,600.00 kWh/y)</small>	0.21% <small>(from total electricity consumption of the year 2018 of 3,697,217.59 kWh/y)</small>

The company also installed solar cell in 10 Prukca housing projects to reduce electricity consumption in the common areas of the project. Electricity generated from the solar cell is supplied to park lamps, juristic buildings and wastewater treatment ponds. This leads to a reduction of electricity consumption by 121,533 kWh/ year or a reduction of greenhouse gas emissions by 68,180 tCO<sub>2</sub>e/y.



Reduce Electricity Consumption  
**121,533** Kwh/Year



Reduce Greenhouse Gas Emission (GHG)  
**68,180** tCO<sub>2</sub>e/y

## Guidelines for Reducing Greenhouse Gas Emission from Transportation

Prukca Precast Lam Luk Ka and Navanakorn factories proceed to reduce the number of transportation trips by increasing the weight of transportation per trip, but not exceed legal limitation, to reduce diesel consumption and lessen the amount of carbon dioxide released to the environment.

In 2019, the company was able to increase the weight per trip by 1.53% and reduce the number of trip by 1.52%, achieving the target of reducing the transport trip by at least 1.5%.



Goals in reducing the transportation trips by at least **1.5%**  
Reduce The Number of Trip **1.52%**

No.	Activity that Reduces The Number of Trip	Average Weight of Standard Transportation (Ton)	Average Weight of Transportation In 2019	% Increase of Weight Per Trip	Remarks
1	PCF1 Factory: combine many fence work on the same trip	10.00	10.96	9.59%	Works from PCF3, PCF4, PCF7 involve transportation of large piece but low weight materials that require space, thus reducing the weight
2	PCF2 Factory: increase the number of toilets from 3 pods to 4 pods per trip.	11.94	13.86	16.10%	
3	PCF3 Factory: combine beam pack work with floor work to reduce transportation	13.00	12.17	-6.41%	
4	PCF4 Factory: combine same area project deliveries in the same trip	10.00	8.41	-15.90%	
5	PCF5 Factory: arrange the weight per trip packing standard to about 13.5 tons.	13.00	13.05	0.40%	
6	PCF6 Factory: arrange the weight per trip packing standard to about 13.5 tons.	13.00	13.24	1.81%	
7	PCF7 Factory: combine beam pack work with floor work to reduce transportation	13.00	12.64	-2.79%	
	Total	12.41	12.45	0.30%	

Note : In 2019, the weight of the transported goods was 860,808 tons. The standard average weight of transportation is 12.41 tons per trip and the average transport weight of the year 2019 was 12.45 tons per trip. The reduction in number of trip is calculated as follows :

- If transported using standard average weight : 967,504 tons / 12.41 tons = 77,961 trips
- If transported using average weight per trip in 2019 : 967,504 tons / 12.45 tons = 77,711 trips
- In summary, In 2019 the increase in transportation weight of 0.30% helped reduce the number of trip from the standard number to 250 trips, amounting to 0.30%

## Greenhouse Gas Emissions Data

Pruksa Precast Factory at Lam Luk Ka and Navanakorn utilized their equipment, processes and business procedures to reduce Greenhouse Gas (GHGs) emissions with the goal to reduce Scope 1-3 GHGs emission by at least 10% from 2018 as follows :

- Reduce Scope 1 GHGs emission by reducing the use of Fork Lift to reduce diesel fuel consumption
- Reduce Scope 2 GHGs emission by decreasing electricity consumption
- Reduce Scope 3 GHGs emission by reducing the number of precast transportation trip

### Pruksa Precast Factory Navanakorn

Had an average amount of GHGs emission in all 3 scopes decreased by 26% and in the year 2019 the amount of concrete produced increased from 2018 by 14.3% (172,300.49 cubic meters).

This, therefore, met the GHGs reduction target.



Scope	Unit	2016	2017	2018	2019	GHGs Emission Reduction Per Cubic Meter of Concrete (Ton CO2eq)
1. Direct (Scope 1)	Ton - Co2	138	146.0	133.0	133.0	8%
2. Energy indirect (Scope 2)	Ton - Co2	1,936	2,093.0	2,073.0	2,152.0	4%
3. Other indirect (Scope 3)	Ton - Co2	4,263	6,347.0	6,581.0	4,742.0	0%

### Pruksa Precast Factory Lam Luk Ka

Had an average amount of GHGs emission in all 3 scopes decreased by 18% and in the year 2019, the amount of concrete produced increased from 2018 by 16% (218,130 cubic meters).

This, again, met the GHGs reduction target.



Scope	Unit	2016	2017	2018	2019	GHGs Emission Reduction Per Cubic Meter of Concrete (Ton CO2eq)
1. Direct (Scope 1)	Ton - Co2	369	393	308	298	13%
2. Energy indirect (Scope 2)	Ton - Co2	2,117	2,549	3,006	2,992	11%
3. Other indirect (Scope 3)	Ton - Co2	4,348	4,826	6,043	4,761	30%

## Efficient Water Management

Pruksa Precast Factory at Lam Luk Ka and Navanakorn have set in place the guidelines for water management by :



1. Assigning personnel to control and monitor water usage



4. Setting up water diversion system from natural sources to use in the production process



2. Conducting monthly water usage reports



5. Running water filter plant to extract water from natural sources to use in concrete mixing process, together with the water from the recycling system.



3. Setting up recycling system to recycle water from production process



6. Prohibiting the use of tap water for watering plants

Target (GRI 103-2)	2019 Result (GRI 103-3)
<ul style="list-style-type: none"> <li>• Increase the use of natural water instead of tap water by at least 30% from the year 2018.</li> </ul>	<p>Pruksa Precast Factory in Lam Luk Ka has drainage around the factory and a natural water pond for gardening and road cleaning. This amounts to 26% increase of natural water usage from the year 2018. Thus saving the water bill by 157,181.04 baht / year.</p> <p>Pruksa Precast Factory Navanakorn drilled wells in the health park area to store water from natural sources and installed automatic pumping system to drain water from the soil pond to use in the production process. The factory also installed the sprinklers to water the plants. This increased natural water usage by 14% from 2018 which was in line with the target to save water bill up to 81,661.9 baht / year.</p>
<ul style="list-style-type: none"> <li>• 100% reusing wastewater from the production process. (GRI 306-1)</li> </ul>	<p>Pruksa Precast Factory at Lam Luk Ka and Navanakorn have Recycling system which can 100% separate water from fresh concrete to be reused in the production process. This was in line with the target set and the product quality meets the specified standards. (GRI 103-3)</p>

## Water Consumption from Natural Sources in Replacement of Tap Water

Location	Water Consumption from Natural Sources in Replacement of Tap Water Target : Increase By 30% (GRI 103-1)				
	2018 (Unit)	2018 (Unit)	Water Consumption from Natural Sources (Unit)	% Water Consumption Sources	Cost Saving (Baht) (GRI 103-3)
Prukha Precast Factory Lam Luk Ka	18,524.24	23,400.00	4,875.76	26%	160,900.08
Prukha Precast Factory Navanakorn	17,740.8	20,215.40	2,474.60	14.0%	81,661.96

## Amount of Reused Wastewater from Production Process

Location	Amount of Reused Wastewater from Production Process Target : 100% (GRI 103-3, GRI 306-1)			
	2018		2019 (GRI 103-3)	
	Amount (Unit)	%	Amount (Unit)	%
Prukha Precast Factory Lam Luk Ka	15,247.45	100%	18,128.17	100%
Prukha Precast Factory Navanakorn	3,548.16	100%	26,143.15	100%

## Wastewater Treatment (GRI 103-1, GRI 306-1)

Prukha Precast Factory Lam Luk Ka and Prukha Precast Factory Navanakorn utilize wastewater anaerobic treatment system. Wastewater from cafeteria will pass through treatment system and grease trap before releasing to the public. Wastewater from public systems is pumped back into the cesspit, using fountain and solar turbine system, then moves through filter system for further use.

There is wastewater treatment system installed within Prukha housing projects in order to treat wastewater to meet the standard values before releasing outside of the project.

In addition, the company also organized the activity "Prukha Cares...Returning Clear Water to Canal", in collaboration with government agencies and the local communities to improve the quality of water sources in canals in 3 provinces, namely Pathum Thani, Nakhon Pathom, and Samut Prakan. The activity covers canals such as Rangsit Khlong 3, Bang Hua Suea, Khlong Hok, Khlong Nong Ngu Hao, Bang Muang and Bang Sao Thong to preserve biodiversity and keep canals clean and safe for communities and animals. The company also provided manuals and training on sustainable water management for juristic persons, Subdistrict Administrative Organization, and Rangsit Khlong 3 Community of Pathum Thani Province, to collaboratively and sustainably preserve canals. The company could help reduce environmental impact, reduce the amount of waste in the canal by 203.30 tons and could reduce the greenhouse gas emission by 472 tCO<sub>2</sub>e/y. The company could help improve the quality of life for customers and communities around the 9 projects, totally more than 31,104 people who have a better quality of life. (GRI 103-3)



Reduce The Amount of Waste in The Canal

**203.30** Tons



Reduce Greenhouse Gas Emission (GHG)

**472** tCO<sub>2</sub>e/y



Customers and Communities have a better quality of life

**31,104** Persons

## Material Handling

### Reduction of Cement Consumption

In 2019, Pruksa Precast Factory aimed to reduce cement consumption by at least 1% per concrete cubic meter. The company also set in place procurement policies that are environmentally friendly and preferred to use alternative less reacting chemicals than environmentally toxic chemicals. (GRI 103-1, GRI 103-2)



Reduce Cement Consumption  
At Least **1%** Per Concrete Cubic Meter

(GRI 103-3, GRI 301-1)

Material	Pruksa Precast Factory Lam Luk Ka		Pruksa Precast Factory Navanakorn	
	2018	2019 (GRI 103-3)	2018	2019 (GRI 103-3)
Reduce cement consumption	1.4%	1.5%	1.4%	1.5%

### Recycle (GRI 306-2)

#### 100% Recycling of Rock and Sand Back into The Production Process

Pruksa Precast Factory Lam Luk Ka and Pruksa Precast Factory Navanakorn use recycling concrete system in the factory, allowing them to 100% reuse main materials, separating stone and sand from fresh concrete fragments in the production process without waste, while maintaining the required quality standards. (GRI 103-1, GRI 103-2)



Recycling of Rock and Sand Back  
into The Production Process **100%**

(GRI 301-1, GRI 301-2)

No.	Material	Pruksa Precast Factory Lam Luk Ka		Pruksa Precast Factory Navanakorn	
		2018	2019 (GRI 103-3)	2018	2019 (GRI 103-3)
1	Stone	100%	100%	100%	100%
2	Sand	100%	100%	100%	100%

#### 100% Reusing of Mold Oil in The Production Process (GRI 306-2)

Pruksa Precast Factory Navanakorn has a recycling process of mold oil back into the production process, by installing a suction pump system from machine's oil pan to the storage tank and is able to 100% circulate back mold oil into the new system without waste.



Reusing of Mold Oil in The Production Process **100%**

(GRI 301-1, GRI 301-2)

Material	Pruksa Precast Factory Lam Luk Ka		Pruksa Precast Factory Navanakorn	
	2018	2019 (GRI 103-3)	2018	2019 (GRI 103-3)
Mold oil 1,000 liters	100%	100%	100%	100%

#### Recycling of Metal Mold back into The Production Process by At Least 95% (GRI 306-2)

Pruksa Precast Factory Lam Luk Ka and Pruksa Precast Factory Navanakorn temporarily replaced the waste plywood and black rubber block out with metal mold that can be used longer. In 2019 the reusable rates of these metal molds met the target of 95%. (GRI 103-1)



Recycling of Metal Mold back into The Production Process  
At Least **95%**

(GRI 301-1, GRI 301-2)

Material	Pruksa Precast Factory Lam Luk Ka		Pruksa Precast Factory Navanakorn	
	2018	2019 (GRI 103-3)	2018	2019 (GRI 103-3)
Metal Mold	95%	95%	95%	95%

• **Reusing of Transport Rack in The Production Process by 100%** (GRI 306-2)

Pruksa Precast Factory in Lam Luk Ka and Pruksa Precast Factory in Navanakorn use transport rack to contain precast wall and prefabricated flooring to carry out transportation from the factory to various project sites. Once the work is delivered, the rack will be reused in the next transportation. (GRI 103-1)



Reusing of Transport Rack in The Production Process **100%**

(GRI 301-1, GRI 301-2)

Material	Quantity (Number of Rack)		% of Reusing	
	2018	2019 (GRI 103-3)	2018	2019 (GRI 103-3)
Transport Rack	3,511	3,511	100%	100%

**Biodiversity** (GRI 103-1, GRI 103-3)

In 2019, the company had 97 projects in progress, where the company has arranged green areas for indoor and common areas to maintain biodiversity for the environment within 1.09 million square meters project areas.



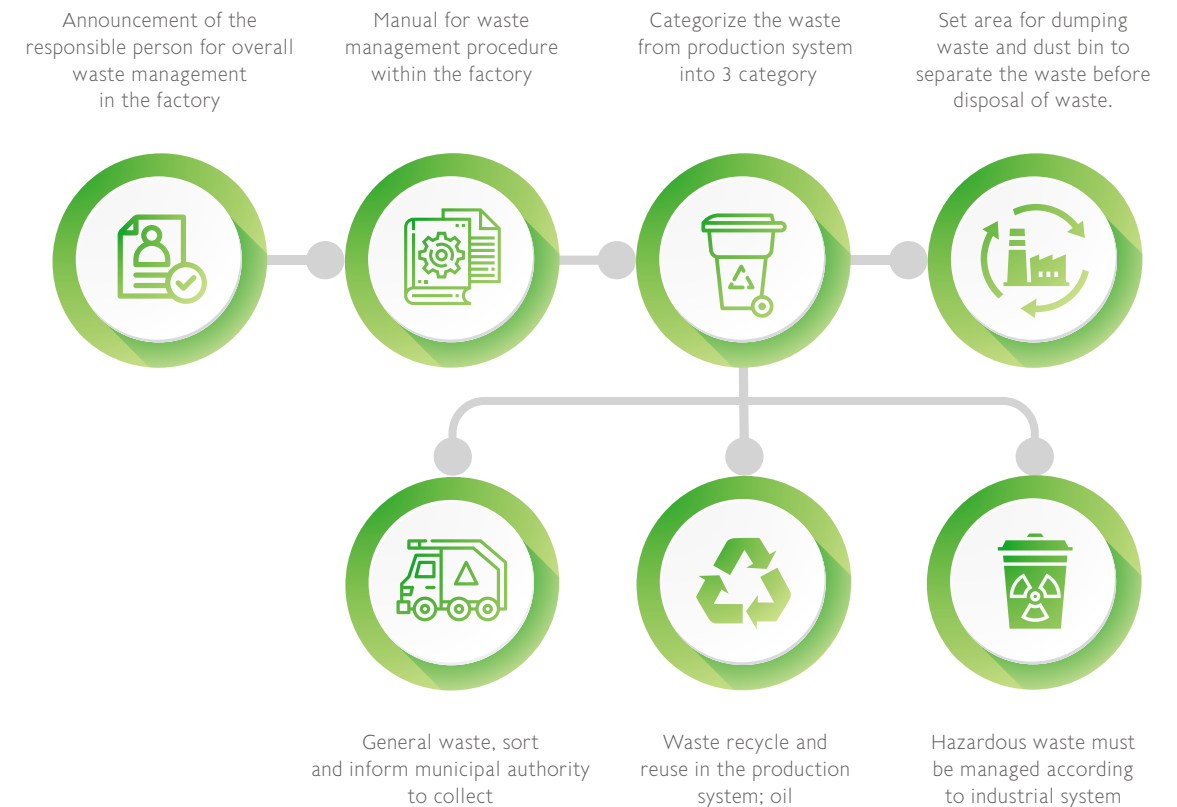
Projects in Progress has Arranged Green Areas for Indoor and Common Areas to Maintain Biodiversity for The Environment **97 Projects**  
Amount **1.09 Million Square Meters**

**Waste Management**

The company sets standards and methods for controlling the emissions of waste, pollution or anything in Pruksa precast Lam Luk Ka and Navanakorn under the Measures to Control and Prevent the Impact on Environment according to Factories Act 1992. In order to ensure that the company conducts business with responsibility to the environment and society, we have a measurement to control the pollution and 3 types of waste which are (GRI 103-1)

- Wastewater from the concrete production process is controlled to flow to the sedimentation pond to separate rocks and sand for reuse. For the water, it is being reused in the production without releasing water to communities or public places.
- Air pollution controls by spraying water around the concrete mixing plant while pouring stones and sand into stockpiles. Along with using wastewater to spray on rocks and sand into the concrete mixing process, this will prevent dust to disturb neighboring communities and inside the factory. In addition to the production process, we have also installed a vacuum cleaner as well as using a floor cleaner to clean the floor in order to reduce residual dust in the building. For all roads in the factory, we spray water on the road prior sweeping to prevent dust diffusion.
- To control the noise pollution which caused by the process of compressing the cement, we installed the sound absorbing sheet (Noise Barrier) to reduce the noise produced by the production. Currently, the company changed machine to mechanical shaking (Shaking System) instead of the previous mechanical vibration (Vibrating System) which can reduce the intensity of the noise significantly. In addition, the noise level has been measured both inside the factory and the neighboring communities every year.

**Managing Waste from Business Processes** (GRI 103-2)



## Waste by Type and Disposal Method (GRI 103-2, GRI 103-3, GRI 306-1, GRI 306-2)

In 2019, Pruksa precast factory Lam Luk Ka and Pruksa precast factory Navanakorn managed hazardous waste and recycled waste in accordance with industrial system completely 100%.

No.	List of Waste Materials	Unit	Types of Waste <small>(GRI 306-1)</small>	Disposal Method	Amount In 2018	Industrial Waste Disposal In 2018	Amount In 2019	Industrial Waste Disposal In 2019 <small>(GRI 103-3)</small>
1	Hazardous and contaminated waste <small>(GRI 306-4)</small>	Kg.	Toxic/ Dangerous	Licensed firms remove waste for disposal/ Burn at high temperature	2,000	100%	16,930	100%
2	Scrap metal	Kg.	Recycle	Waste dealers buy/sort and sell	180,000	100%	207,940	100%
3	Silicone container	Kg.	Recycle	Waste dealers buy/sort and buy sell	1,000	100%	1,000	100%
4	Used hydraulic Oil	Kg.	Recycle	Waste dealers buy/make substitution of chemicals	600	100%	600	100%
5	Paper	Kg.	Recycle	Waste dealers buy/ sort and sell	2,000	100%	2,000	100%



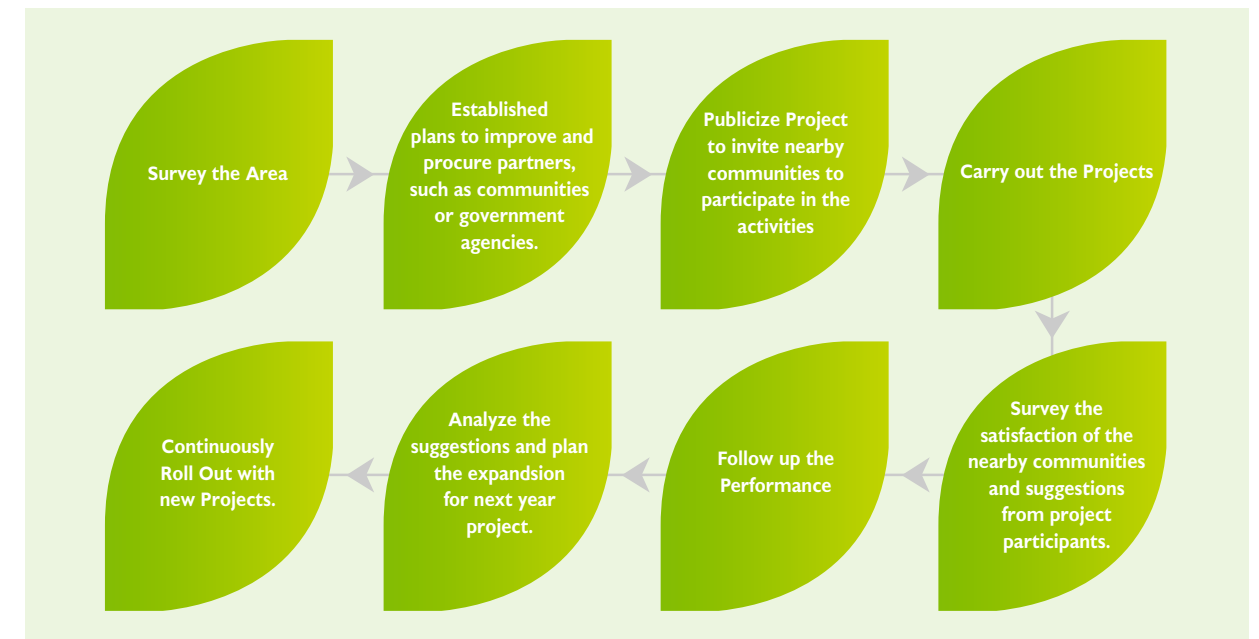
The company manages waste in the construction area which are generated from packaging of materials such as paper and plastic by organizing trainings to educate contractors to separate waste and to dispose in the area assigned by the government agencies. The company regularly monitors the operations to make sure the surrounding project's area is cleaned and safe to work.

## Community Engage in Preserving the Sustainable Environmental

The company responds quickly and efficiently to events that affect the environment, community, life and property as the results from the company operation by fully cooperating with government officials and relevant agencies.

The company has operation plan, that take care of the environment, in collaboration with the community and society which is in accordance with the sustainable development policy "Heart to Earth, Caring for the Environmental Impact" with the goal of happily living together with the community; which is in accordance with the Sustainable Development Goals: SDGs at national and international level. In the year 2019, the company has conducted various projects as follows: (GRI 103-1)

### Collaboration Process (GRI 103-2)



### • Pruksa Care...Return Clear Water to Canal Project Year 2 (GRI 413-1, GRI 413-2)

The company collaborate with government agencies and communities around the project organized canal dredging activities "Pruksa Care...Return Clear Water to the Canal" to improve the quality of water sources in various canals such as Rangsit Khlong 3, Klong Bang Hua Suea, and for Khlong Hok the dredging are done to Khlong Nong Ngu Hao, Khlong Bang Muang and Khlong Bang Sao Thong. The canal dredging have been done in 3 provinces, namely Pathum Thani Province, Nakhon Pathom province and Samut Prakan province to be clean and safe for the community. Helps reduce environmental impact, reduce the amount of waste in the canal of 203.30 tons and help reduce the greenhouse gas emission by 472 tCO<sub>2</sub>e/y. Help improve the quality of life for customers and communities around the 9 projects. A total of 31,104 people, who have better quality of life. (GRI 103-3)



Reduce The Amount of Waste in The Canal

**203.30 Tons**



Reduce Greenhouse Gas Emission (GHG)

**472 tCO<sub>2</sub>e/y**



Customers and Communities have a better quality of life

**31,104 Persons**

• **Training Course on Wastewater Management** (GRI 413-1, GRI 413-2)

The company provided manuals and organized training to give knowledge on wastewater management for community environment to the employees, housing estate juristic person as well as people living in Rangsit Khlong 3 community. The training was held at Khlong Sam Subdistrict Administrative Organization, Pathum Thani province with the purpose of harmoniously maintain water in the canal to be sustainably clean. There were 65 participants, who participated in the training and have received knowledge/ understanding of wastewater management; in order to return and preserve the environment for the community. There are more than 80,000 residents who will also benefit from this project. (GRI 103-3)



Participated in The Training

**65 People** Who will also Benefit from This Project

• **Solar Cell Energy Saving Village Project** (GRI 413-1)

Install solar cell to replace electricity consumption at the common areas of the townhouse project such as lights in the parks, residential office building and wastewater treatment ponds; with the total of 10 projects. Helps reduce environmental impact, reduce electricity consumption at 121,533 kWh/year and helps reduce the amount of greenhouse gas emissions by 68,180 tCO<sub>2</sub>e/y. Help create economic value for juristic persons and project customers Reduce the project's central expenses at the amount of 850,729 baht / year. (GRI 103-3)



Reduce Electricity Consumption  
**121,533 kWh/Year**



Reduce Greenhouse Gas Emission (GHG)  
**68,180 tCO<sub>2</sub>e/y**



Reducing Electricity Expenses  
**850,729 Baht/Year**

**Managing on Environmental Impact's Complaints**

In addition to the determination to continuously improve the quality of residential projects, the company has always placed importance and considered the sustainable growth along with the society and the surrounding communities. Such is done by providing communication channels to facilitate all groups of stakeholders in asking questions, reporting problems and giving feedback through various channels. (GRI 103-1)

**Managing Process on Environment Impact's Complaints** (GRI 103-2, GRI 413-1)



In the year 2019, the company has been informed of 604 list of the information and environmental impact problems; all of which have been notified and there will be systems and management processes that monitor the problem solving, from the recording the problems into the system until the completion of such task.

**Amount of Data on Environmental Impact In 2019** (GRI 413-1)

No.	Impact	Amount (Subject)
1	Noise Pollution	256
2	Air Pollution	162
3	Traffic Problem	105
4	Waste and Waste from Construction Problems	67
5	Water Pollution	14
	Total	604



# SOCIAL

## Social Operations for Sustainable Growth

### Human Rights and Fair Treatment Towards Labor

The company is well aware of the importance and sees the value of the employees, as the employees are the key to the company's success. Therefore, the company has determined to develop and reinforce culture and good working atmosphere; including promoting teamwork, treat employees with politeness and respect for individuality. Hiring, appointing and transferring employees will be considered base on morality and utilizing human resources to maximize the benefits for the company.

(GRI 103-1)

### Employment Policy

The company adheres to the principles of an organization with ethics and good governance in recruiting and hiring employees to work with the company; by selecting individuals to be hired for various positions in the organization with fairness. The company as well takes into account the appropriateness of the qualifications for the position, along with educational qualifications, experience, knowledge, competence and good morals. The aforementioned selection will be done with respect towards the honor and dignity of each individual. There will be no discrimination on gender, age, race, religion, color, physical disability or political values and etc. (GRI 103-1)

The recruitment process is fair and transparent where the company will make comparison of the qualifications for each position in order to be able to select the most qualified persons. In the year 2019, the company has a total of 2,956 employees.

Moreover, the company adheres to the ethics and framework rules in recruiting personne; which the company will not seek for personnel, who is being employed by the suppliers for the fairness of both suppliers and the company.

### Employment for the Disabled

The company in collaboration with the Social Innovation Foundation promote the project "Create jobs, create career for people with disabilities" for 6<sup>th</sup> consecutive years. in employing the disabilities and allow them to earn income and can continuously be self-reliant.



คนพิการ

Working with The Company **7 Persons**

Working in Public Benefit Organizations near their Home (Khon Kaen Province Area) **24 Persons**

Employment of Persons with Disabilities a total of **31 Persons**

### Respect for Human Rights

The company maintains a policy of equality and equal opportunities by treating employees with respect towards honor and dignity as well as personal rights and freedoms that require protection against being violate from disclosing information or transfer of personal information, such as biographies, health history work history or other personal information to unrelated parties which may cause damage to the owner or any other persons; unless such action is done in accordance with the duty and with good faith or according to the law or for the common good. If employees are not treated fairly or their rights have been violated, the company will provide opportunity to the employees to file a complaint through the various channels the employees to be confidence that their rights will not be violated. The company respects human rights principles at both the national and international levels. Including prohibiting the business of the company get involved in human rights abuses.

(GRI 103-1)



The company has as well stipulated for the trade partners to avoid using forced labour. The company organizes training to provide knowledge, practice guidelines and rights relating to foreign workers entering Thailand to work for contractors. This training will allow the contractor to correctly comply with the government policies that have international agreements or treaties on the use of foreign laborers; including Laos, Myanmar and Cambodia. In addition, the company requires suppliers to respect human rights and shall not employ child labor which the trading partner shall pay wages and work benefits accurately and fairly. The work regulations of the company shall not restrict the rights of employees or workers or violate the human rights of workers in terms of gender. For example, there are no restrictions for employees working in the same unit from being husband and wife or prohibiting employees from gathering together to express themselves in various matters.

### Handling Complaints on Labor Treatment

The company provides clear channels for complaint on the labor treatment in order to accept complaints from executives and employees as well as provide fair treatment to all parties. The company will provide protection to employees who complain about labor treatment as stipulated. All complaints will be considered fairly by the Human Resources executives or the board of directors, who has been appointed by the company to consider the aforementioned complaint and such complaint will be reported to the Human Development Committee at the company level to acknowledge and keep the information confidential.

**Channels To Complaints on Labor Treatment**

 [www.psh.co.th](http://www.psh.co.th) / [www.pruksa.com](http://www.pruksa.com)  
Topic "Complaint/ Whistle Blowing/ Request for Fair Treatment"

 [cg@pruksa.com](mailto:cg@pruksa.com)

 @pruksacg 

 Telephone : 0 2080 1739 ext 48611, 0 84 555 2364

 Pruksa Holding PCL (Headquarter)  
1177 Pearl Bangkok Building, 23<sup>rd</sup> Floor,  
Phaholyothin Road, Phayathai, Phayathai, Bangkok 10400

### The Monitoring Process and The 8-Steps

#### Guideline for Managing Complaints of Labor Treatment (P0-P8) (GRI 103-2)

P0	P1	P2	P3	P4	P5	P6	P7	P8
Accepted complaints which will be separated into categories	Initial data check	Verify the Fact	Discipline	Penalties	Communicate	Compensation - litigation	Report the results to the Corporate Governance Committee and the Audit Committee	Close the case

For the year 2019, there were complaints on the labor treatment that is related to the company in the employees group. (GRI 103-3)

### Pruksa Holding Employment Data (GRI 102-8, GRI 401-1)

#### Number of Employees of Pruksa Holding Public Company Limited and Its Affiliates (GRI 102-7)

Work Group / Division	Total Number (Persons)	Full Time Employee	Part-Time Employee	Disabilities (Persons)
Office of Group Chief Executive Officer	32	32	-	-
Office of Chief Executive Officer of Pruksa Real Estate Value Business Group	197	196	-	1
Condominium Business Group 2	142	141	1	-
Single House	522	521	-	1
Office of Chief Executive Officer of Pruksa Real Estate, Townhouse Business Group	134	134	-	-
Townhouse Business Group 1	558	557	-	1
Townhouse Business Group 2	447	447	-	-
Office of Chief Executive Officer of Pruksa Real Estate Premium Business Group	95	95	-	-
High Rise Premium Business Group	92	92	-	-
Vimut Holding Hospital Business Group	35	35	-	-
Finance Group	123	123	-	-
Procurement and Supply Chain Group	454	450	-	4
Human Resources Group	46	46	-	-
Corporate Marketing Group	43	43	-	-
Technology Group	36	36	-	-
<b>Grand Total</b>	<b>2,956</b>	<b>2,948</b>	<b>1</b>	<b>7</b>

Data as of 31 December 2019

## Number of New Employees

Type of Employee	Band	2019		
		Male	Female	Total
Monthly Full-Time Employee	0	0	0	0
	1	77	1	78
	2	102	114	216
	3	58	37	95
	4	17	12	29
	5	3	4	7
	6	2	1	3
	7	0	0	0
	8	2	0	2
Daily Full-Time Employee	-	0	0	0
Part-Time Employee	-	0	0	0
Grand Total		261	169	430

## Statistics Data of Resignation Employee 2016-2019

Type of Employee	Band	2016	2017	2018	2019
Monthly Full-Time Employee	0	1	1	1	0
	1	156	136	129	131
	2	242	249	295	317
	3	68	94	122	139
	4	35	60	55	53
	5	18	9	18	21
	6	6	5	5	5
	7	1	2	0	2
	8	0	1	0	1
Daily Full-Time Employee	-	263	461	113	0
Part-Time Employee	-	8	10	4	3
Grand Total		798	1,028	742	672

## Compensation Policy

The company determines compensation for employees fairly and in accordance with the appropriateness for the work conditions, professional, qualifications, knowledge, capacity and performance. The employees will receive compensation in the form of regular income such as salary and other income such as overtime pay, bonus, provident fund and etc. Moreover, in order to create incentives for employees to achieve the company's goals, therefore, the BSC (Balance Scorecard) and KPI are used as tools for managing compensation which may varies in accordance to the performance. (GRI 103-1)

## Taking Care of Employees' Quality of Life

The company emphasizes on looking after the life and well-being of employees by providing health insurance for employees and their offspring, to help ease the burden of expenses during illness. The company as well provides discounts on housing purchases so employees can have their own residences. Provident fund is also provided so that employees will have savings when they resigned. The company also provides welfare or other benefits that goes beyond the specified law.

Moreover, the company also recognizes the importance of appropriate time management in working and living with family; and in order to create good culture and good working atmosphere, the company allows employees to choose working hours according to their own suitability. Overall, working time is no more than 48 hours per week.

The company manages for employees to participate in the election of the welfare committee where the term of each position is 2 years. The welfare committees act as the representative of the employees in jointly giving advice and discuss as well as propose opinion to the employer in providing welfare, surveillance, control and supervise the welfare provided by the employer to the employees. In addition, propose comments, guidelines for providing benefits that are beneficial to the employees where the welfare committee will have joint discussions every 3 months on welfare/ benefits/ regulations that impact the employees. The resolution will be reported or proposed to Human Development Committee at the company level to consider for the highest benefits of all stakeholders. (GRI 103-1, GRI 401-2)

## Termination of Employment / Non-Termination of Employment Policy

The company considers employees to be the most valuable resource, therefore, maintain policies in health care, sanitation and safety at work. In addition, the company emphasizes on the development and reinforcement of a culture and a good working atmosphere as well as treats all employees equally. Therefore, all employees will not be terminated without justification, unless, the employee commits serious offence in accordance to the company's work rules and regulations or is there any other reason that the work rules and regulations of the company has stipulated the said incidents, the company has clear procedures and protocols; and will proceed with transparency, fairness and legal compliance without any discrimination.

(GRI 103-1)

## Assessing Employee Engagement with the Organization

The company places importance on activities to create good engagement between the employees and the organization; as the employees are not just the workers that perform their duties as assigned for the organization but the employees are the key people who will deliver impressive services to customers, deliver quality products, a representative in creating good image and is a part that help the company to succeed sustainably. (GRI 103-1)

The company, therefore, has activities or operation to promote employees to be engage with the company in various topics as follows :

- **Organize various activities that create employee engagement**, such as New Year's party, religious ceremony on important Buddhist festival, watering wishes from the Executive and activity in Making-merit and feel delighted on Buddhist Lent Day.
- **Publicizing news for employees to understand** and provide channels to reach employees that are most appropriate; by segregated the publicize into groups based on Band / operating locations in order for employees to be informed of various information thoroughly and feel that the company places importance in providing information to employees. The channels for employees to ask for any information are always open.

- **Conducting ongoing employee engagement surveys** to inquire the employees' opinions on the organization in various topics and use the information from the questionnaire to develop and improve employee care in order to enhance the level of engagement.

Engagement survey is used for surveying the opinions on various issues such as compensation, benefits and work environment; including employment conditions that may change work regulations to suit the current situation and be more flexible with the employees. At which, this information is used as part of the formulation and improvement of various policies, in order to be suitable for the employees further. There are 9 categories of survey topics which are as follows :

1	Employee Engagement Index
2	Learning and Development
3	Management Quality and Communication
4	Job Design and Empowerment
5	Company Identity
6	Performance Excellence Index
7	Career Management
8	Quality of Work life
9	Compensation and Benefits

In the year 2019, survey of employee engagement to the organization were not conduct but taking the results of the employee engagement survey in 2018 to create a plan to improve, develop and promote employee to be more engage with the organization. The company plans to conduct next survey of employee engagement during February - March 2020.

The activity plan for the year 2019 has the objectives to increase employee engagement in each unit; which will be measured through the resignation rate of the employees, whom the organization wants to maintain in each unit. This will also encourage employees to create work in which the supervisors and executives shall carry out activities in order to maintain employees to stay with the organization, such as : (GRI 103-2)

- Supervising and coaching new employees.
- Develop and teach the team through Individual Development Plan (IDP).
- Promoting and encouraging employees to grow according to their career path.
- Leadership development of the executives within the team in order to have behavior that is in consistent with the leadership required by the organization.

**Examples of Activity Plans of unit that Promote Organizational Commitment and Encourage Employees to Create Works, such as :**

- **Hats Off-Time to share the Love Activities (Monthly Activities)**  
To give employees the opportunity to write a thank you note or praise to colleagues in the line of work and give small gifts to those who receive praise to create happiness and pride in working; and for them to continue doing those good things. Including having employees in the revolving department present ideas or share new knowledge both directly related to work and not related to work in order to develop skills and expand knowledge in various matters on working.

- **No Meeting after 17.00 hrs Activity.**  
In order to create good work-life balance for employees and encourage employees to manage working hours efficiently.
- **Activities to Promote Career Path**  
To support and create opportunities in advancing their careers, by having the team leader coaching the team members who have potential. Such is done by bringing out their potential and talents to utilize as much as possible in order for them to clearly see their performance and allow them to fully showcase their competence as well as push forward the opportunity to be promoted into higher position.
- **Funny Monthly Meeting Activity**  
Organize monthly meeting for everyone to attend, have fun chatting and enjoy activities that build good relationships between each other, such as playing games, birthday greetings and sharing appreciation from other fields to IT, who is on duty.
- **HR Town Hall and Knowledge Sharing Activity (1 time per month)**  
Organized communication activities for working level in order for the employees in the line to gain better knowledge and understanding of the organization's policies and organized activities for supervisors to encourage and create learning atmosphere by organizing courses to give knowledge on various topics.
- **Legal Sharing Activity**  
Employees from the legal department organize a training course to provide basic legal knowledge and disputes on real estate for employees from other line of work to gain additional legal knowledge.

**Potential Development and Career Advancement**

Employee is one of the most significant resources of the company. It is the key driven factor that drives the company towards its mission and objectives. Therefore, providing training and skills along with developing good mindset, attitude and performance would push towards sustainable growth for both the company and individuals. Also, in preparation for any changes that might occur in the present or the future, the company has prepared employee training and development plans aligning with its core strategies. (GRI 103-1)

**Employee Training and Development**

The company surveys and analyzes the requirement for each employee groups in order to develop human resources development plan. The plan is determined to develop their potential and capability consecutively to meet an effective performances and desired results both in present and future. The company's development model is 70:20:10 as indicated below. (GRI 103-2, GRI 404-2)

- **70 Experiential Learning** This model based on developing working experiences including problem solving skills daily or new assign projects. This will lead to new learning process and skills to complete the assign work; being the Project Leader for innovation project, or improvement Project or even being a Change Agent/ Team Leader in problem solving project.

- **20 Learning from Others** This model is based on obtaining knowledge and experiences from surrounding environment. For example; receiving coaching and feedback from leader, mentor or team. Moreover, observing, peer reviewing, shadowing an expert, learning from internet or even from team meeting can also be good sources of knowledge and skill development.

- **10 Formal Learning** This model is based on a standard learning process which is attending formal trainings and workshops both internal and external programs.

From the 70:20:10 Model, the Training and development unit has set the knowledge enhancement tools or employee development according to the employee groups as stated below.

1. Training Plan
2. Individual Development Plan
3. Leadership Competency
4. Executive Coaching

## I. Training Plan

Annually, there will be Training Plan categorized by skills and important knowledge for working including 6 main subjects for all employee groups those are

- 1) **Fundamental Knowledge for new employee** This includes foundation and basic knowledge for new employee to get to understand the company and get along with its culture. Adapting to new work place is very important, it is the first step of joining the company's journey. The company has a 4 days training program for new employee including the following topics.
  - Orientation (Vision, Mission, Organizational structure, Leadership Competency, Benefits and welfare, etc.)
  - Performance Evaluation system
  - Corporate governance, Anti-Corruption, Ethic, and Sustainable Development
  - Corporate IT System
  - Utilizing Employee Self-service, Manager Self-service
  - Construction and safety
- 2) **Self-development and management** This is aimed to enhance self-knowledge and skill for both executives and employees including
  - Real estate development knowledge (Mini MRE)
  - Performance Management & Coaching & Feedback
  - Presentation Essentials
  - The First Time Management
  - Finance for Non-Finance
- 3) **Leadership Development** This is mainly to develop and enhance leadership skills such as
  - Pruksa Leadership Development Program 1 is developed for Manager under Pruksa Culture & Value, CG, Holding Accountability, Influencing & Motivation, People, Building Teamwork, Developing People, Creating Value and Innovation, Problem Solving, Leading Change, Growth Strategy Planning which is under the company's Leadership Competency.

- Pruksa Leadership Development Program 2 is developed for Vice President under Pruksa Culture & Value, CG, Holding Accountability, Influencing & Motivation, People, Building Teamwork, Developing People, Creating Value and Innovation, Problem Solving, Leading Change, Growth Strategy Planning which is under the company's Leadership Competency.

All the programs under this model have been designed to align with Pruksa Leadership Competency (10 of them) by organizing Leadership development Program in the first phase in 2016 and continued in 2017 and 2019 to make sure all the executives joined. In the second phase, in 2018 - 2019, Leadership Development Program was continued as well.

- 4) **Information Technology** This is to provide skills for computer usage
  - Advance Excel
  - Using Info graphic applications to do presentation
  - Application VQ CRM system
  - Project Budgeting Management system
  - Using MS Project application to manage projects
- 5) **Quality Control and Safety** This model provides quality control enhancement and management knowledge including knowledge as required by law for the people to know.
  - Safety Officer, supervisor
  - Safety Officer, executive
  - Safety Officer, Technical
  - Understanding & Transition from ISO9001 to ISO Version 2015
  - Basic firefighting training
  - First Aid training; CPR
  - Signal providers for crane operators and mobile material holders
- 6) **Occupation Group** This is designed to develop each group according to their requirement.
  - Personal for Success
  - Consultative Selling Skill (Tele-prospecting & Face to Face)
  - Effective Sales Management Technique
  - Digital Marketing
  - Using VQ Application and CRM system
  - Daily Performance Management
  - Personal Information Protection Act.
  - Daily Management
  - Coaching for Daily Management
  - BIM for Construction Team
  - Excellent service for builders
  - Develop work skills and problem solving for accounting and financial staffs

In 2019, the company organized altogether 39 training programs which is 96 batches as well as 45 external public training (45 batches). The trainings include executives and employee level in the average of 23.8 hour per person, 22 hour per person for female and 26.5 hour per person for male. The evaluation for In-House Training rates at 98.5 percent. The budget used for human resource development is 10 million Thai Baht. (GRI 103-3, 404-1)

## Training and Development Plan, Year 2019 (GRI 103-3, GRI 404-1)

Training Information of Employee by Level	(Hr./Person/Year)
Average training hours of operational employees (Band1-2)	14.95
Average training hours of Primary level supervisor (Band 3)	21.34
Average training hours of Middle level supervisor (Band 4)	24.83
Average training hours of High level supervisor (Band 5 up)	18.20

Training Information of Employee by Gender	(Hr./Person/Year)
Average training hours of all employee	23.90
Average training hours of female employee	22.00
Average training hours of male employee	26.50

Training Information	No. of Training Program
In-House Training	39
Public Training	45



In-House Training  
**39 Program**



Public Training  
**45 Program**



Average Training Hours  
**23.9 Hr./Person/Year**



The Evaluation for In-House Training Rates  
**98.5%**

## Individual Development Plan

Since 2016, the company has implemented its policy to develop employees' potential and capabilities by requiring all employees to develop their own Individual Development Plan (IDP) with supervisors. This aims to determine various capability development activities such as training of important courses, assignment of short-term special projects, coaching, and self-learning which will help develop both current and future works. In 2019, there were 3,001 employees out of 3,002 employees who successfully developed their own IDP. (GRI 404-3)



Employees Developed Their Own Individual Development Plan (IDP)

**3,001 Persons**

Note: Data derived from the total number of employees in the year 2019, including the number of resigned employees.

### Individual Development Plan (IDP) involves the following people and roles :

- Employees** are the center of personal development, responsible for analyzing own strengths and development opportunities, developing self-development plan and following the said plan, as well as reporting the development results to supervisors.
- Supervisors** have the duties to encourage employees to find the way to improve themselves, to provide suggestion for employees to act according to their development plans, to give consultation on the implementation of the plan by talking to employees once every 2 months.
- Human Resources Department** has the duties to create tools or systems that help individual development activities proceed efficiently, to educate employees and to support individual development by training.

### • Leadership Competency

Leadership competency is one of the approaches that will drive sustainable growth for the organization. The Human Resources Department, therefore, has a role to develop "Leadership Competency" to guide the leadership development of all employees. This will result in the development of individual competencies in both human management and performance management aspects, leading to "Good Performance and People Excellence".

Leadership Competency of the company consists of 3 groups as follows :

- Pruksa Culture and Values refers to cultures and basic values that all Pruksa employees adhere to and act according to
  - Pruksa Culture & Values
  - Corporate Governance
  - Holding Accountability
- Leading People is an ability to motivate and develop one's own subordinates and;
  - Influencing and Motivating Others
  - Developing People
  - Creating Teamwork Environment
- Leading Performance is the ability to manage their own work and the team to achieve goals.
  - Problem Solving
  - Growth Strategy Planning
  - Creating Value and Innovation
  - Leading Change

Apart from communicating to promote Leadership Competency in all 10 topics through various communication channels such as Daily Pruksa News, Line application, executive meeting, meeting, executive seminar, leadership development training course, and e-learning, Pruksa's Human Resources Department also assesses leadership of high level executives and managers using a 360 degree leadership assessment, an assessment developed internally to evaluate themselves, supervisors, subordinates, and colleagues. This aims to create awareness of one's self leadership, as well as improving leadership. The

said leadership assessments are conducted throughout the year and the evaluation results will be used in the Individual Development Plan, Succession Planning, Promotion, and Merit Increase.

## • Executive Coaching

High-level executives include Assistant Directors, Managing Director, and the President. The company places its importance on coaching and hires consultants with knowledge and expertise in coaching to conduct one-on-one coaching for executives. The session usually lasts for around 6 months, with coaching duration of approximately 12 hours. Before coaching, the coachee's supervisor will inform their needs to the coach, in order to guide the process and when each session finishes, the coach will submit the coaching results to the supervisor from time to time. At the end of the 12-hour coaching session, the coach will submit the coaching results to supervisor and to Human Resources Department's top executive to further develop coachee's strengths. This activity aims to provide ideas and views to create self-awareness through the questions of the coach and to provide tools and guidelines for high-level executives to be able to coach the team to enhance efficiency and effectiveness.

In 2019, the company conducted one-on-one coaching sessions for 36 out of 49 executives.



In addition to the development of senior management through coaching, the company also places its importance on the concept and viewpoint of the development in overall strategy. The company, therefore, conducts a mentoring session 4 times per year (once per quarter), by assigning the Board of Directors as mentors, to executives at the level of Assistant Managing Director, Director, and President.

## • Performance Evaluation of Senior Management

The company has designed executives' remuneration to be closely tied to their performances as follows:

### 1. Annual Salary Increase

The company has set the criteria for salary increase for the year 2019 by separating the budget into 2 parts. The first part uses a budget of no less than 70% for salary increase based on grades obtained from annual performance evaluation. The salary adjustment results of those with good performance will significantly differ from those with fair performance and those who need improvement, while the other 30% of budget is used to increase salaries for executives and employees on a case-by-case basis.

### 2. Variable Payment

The company pays its attention to the design of incentives for executives. The goal is for executives to have a variable proportion of compensation, representing 40-50% of total remuneration for the year, based on their performances. This aims to create the sense of entrepreneurship to all executives, allowing them to truly become a stakeholder of the company. The company specifies different assessment methods for various objectives of incentive as follows:

- 2.1 Bonus: the company pays bonuses for executives and employees once every half year. The budget for bonus varies depending on the profitability of each business line. The company then allocates the budgets to executives and employees, using KPI evaluation results of the first half of the year from functional level, department level, and individual level and the bonus will be tied to the performance of all the said levels.
- 2.2 Management Incentive: the company determines that executives who are in the position of Assistant Managing Director or above and equivalent positions receive additional incentives from bonus. Each executive must specify KPIs for each individual incentive payment, with approval from the Human Resources Development Committee. KPI for short-term incentives will focus on the indicators that reflect the delivery of work according to the job value of that position, while KPI for long-term compensations will focus on indicators that reflect the continuation of business, creation of growth and long-term sustainability of the company.

## • Analysis and Development of Executives and Employees' Capability

In the year 2019, the company has analyzed and developed the potential of executives and employees by assessing the Performance (KPI) which accounts for 100% of all executives and employees. The company has as well stipulated criteria, guidelines and procedures for performance assessment, from the implementation of Key Performance Indicators (KPIs) that must be defined and pass on the goals from the organizational level to the individual level, Performance tracking, Performance Assessment and the development of one's own work and the team. Duties and responsibilities are specified as follows :

### 1. Employee

- Perform duties with responsibility in order to achieve target as assigned and meet the standards of performance set by the company.
- Be responsible for self-development to ensure improvement.

### 2. Supervisor

- Successfully manage the performance of the subordinates under responsibility by assigning missions that are in line with the targets and strategies of the company.
- Communicate the plan to the employees, promote working behavior that leads to efficiency, and evaluate the performance of employees using the procedures specified by the company.
- Develop the performance of subordinates under responsibility, using the development of knowledge and capability, as well as fostering the sense of responsibility to employees through coaching assigning work, and training.

### 3. Human Resources Department

Provide knowledge and tools necessary for employees and executives to manage performance and to ensure that it is in line with the organization's goals.

**Determination of key performance indicators and assessments processes** can be divided into 2 cycles as follows :

- The first half of the year refers to the evaluation of the first 6 months (January to June).
- The second half of the year refers to performance evaluation for the last 6 months (July to December).

### Annual Performance Evaluation and Grading

Each year, there will be an annual performance evaluation, in which the company conducts an annual performance evaluation using the grading system. Definition of each grade is provided below :

AA	Excellent
A	Exceed Expectation
B	Meet Expectation
C	Below Expectation
D	Need Improvement

### Performance Evaluation Score for Annual Grading consists of 2 parts which are :

- 1) 80% from individual KPIs Score of 2 evaluation rounds
- 2) 20% from Competency Score, from 0 to 100 marks, which is evaluated by supervisors at the end of KPI evaluation

Evaluation of performance will be made once a year, in which supervisors communicate to subordinates about the evaluation result, new salary, and planning of career advancement and individual development. The employees' performances are managed as follows :

• **Talent Management**

Talent means a group of employees who are knowledgeable, capable, and with high potential and very good performance, as well as having good leadership which the company deems appropriate to take special care of career advancement and development. The group of talented people can be classified into 2 types as follows :

1. High Potential (HIPO) refers to employees with outstanding personal characteristics and leadership, with the potential to grow to the level of EVP / MD or equivalent.
2. Boosted Talent refers to employees with personal characteristics and leadership qualities that are at a very good level, with the potential to receive intensive professional development for higher skill level.

The company will consider employees whose performance in the previous 3 years from good to very good levels, and whose score results of the Leadership Competency Assessment are in the range specified by the company.

The selection process is conducted once a year in February. Talented employees will receive individual intensive development to enhance their competencies. The development plan, implementation, as well as following up of the plan will be made by supervisors and the human resources department.

• **Employees' Performance Evaluation**

The company designs compensation scheme for employees in connection to their performances using the same principles applied to executives, utilizing the evaluation results to determine compensations such as annual salary increase and bonus payment.

In addition, the evaluation results are part of the guidelines for employee development. The company designed a performance appraisal system, using Key Performance Indicators (KPIs) that translate goals from the organizational level into the individual level, performance tracking, performance evaluation, and developing individual and team performances using the same principles applied to both executives and employees.

• **Promoting Career Advancement**

Individuals may have hidden potential that could be enabled when properly and continuously developed, allowing them to work effectively for their goals. Such development includes not only learning in the classroom but also studying visit, self-learning from reading, learning from seminars, or learning from supervisors as a role model, as well as being assigned to work in additional projects apart from routine work. Benefits that employees receive from these developments include:

1. Employees being informed of their levels of knowledge and capability, including strengths and areas that need improvement in current assignments, in order to apply this knowledge and further develop themselves.
2. Being able to use one's knowledge to further utilize in current assignments and able to meet the expectations of the department.
3. Getting career advancement (Promotion) as there is development in preparation for future growth.
4. Being appointed as a successor when former employee in the position resigns, promotes, or retires.
5. Gaining new knowledge on current changing situation or different perspectives from daily work such as work related to AI and new innovations, in order to improve one's work.
6. Having opportunities to train and experiment with additional duties, such as working in special projects apart from routine work and learning how to manage project and team.

The company develops processes and tools for career development reviews to be more effective. This aims to provide opportunities for employees to mutually plan their careers with supervisors and to develop employees' potential in accordance with their needs as well as the company's needs.

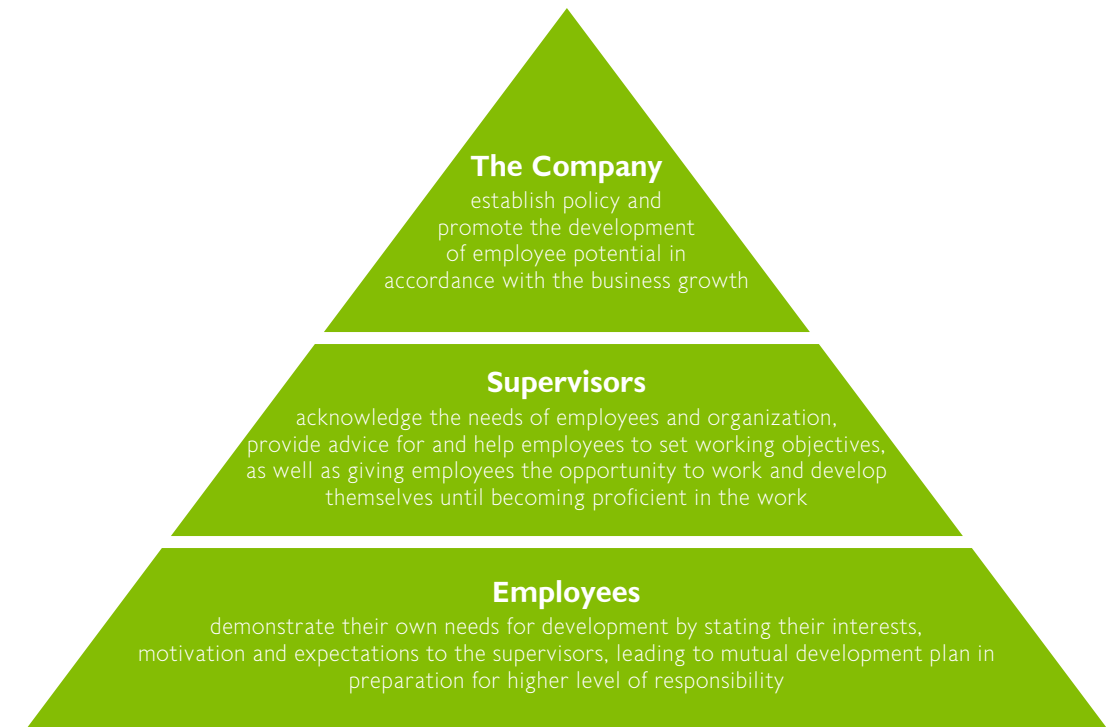
In 2019, there were total number of 117 talents and successors developed.



Executives and Employees, The Talented Group And Succession Group Received Professional Development

A Total of **117** Persons

The company uses the "Triangle Model" as career development principle, which involves collaboration among 3 components, including employees, supervisors and the company. This can be briefly described as follows :



**Career Development Review Process** (GRI 103-2)

The Human Resources Department plays an important role in determining the process, building tools, as well as communicating to the executives and staffs to ensure that they understand the objectives and can put into practice the career development review, which consists of the following steps :

1. Human Resources Department communicates guidelines, objectives, and plans to the target group and related parties
2. Executives and target group employees create their own career progress plans and submit to the direct supervisor and the next higher level supervisor for consideration.
3. Direct supervisor, supervisor in the next line of command, and employees discuss about developing a career development plan, by clearly defining employee's potential development plan. The employee, however, must take the leading role in self-development as specified in the plan.
4. Direct supervisor, supervisor in the next line of command, and staff review career progress plan every 2 years or periodically.

In 2019, the company plans to expand the scope of career development plans to employees at all levels, not only talents and successors, in order to take care of and prepare the employees for career advancement.

## Guidelines and Tools for Potential Development of Managers and Employees

The company has prepared its potential development and career advancement for the employees through guidelines and development tools in a variety of ways. This can be classified by position level as follows :

- 1. Executive Level :** executive coaching, career progress planning, individual development plan, 360 degree leadership assessment, project leading assignment, training to develop technical and managerial skills, and promotion.
- 2. Staff Level :** coaching by supervisors Career progress planning Individual development plan Assigning important projects or special tasks, being selected as Talent, receiving training to develop technical and managerial knowledge and skills, and promotion.

## Benefits That Executives, Employees and The Company Receive from Potential Development and Promotion of Career Advancement (GRI 103-3)

With the guidelines and tools for employee development mentioned above, the employees have developed capabilities that suit their current job and have higher capability for higher position in the future. This benefits executives, employees and the company in the following ways :

1. Executives and employees are ready to work in higher positions with higher challenges and responsibilities.
2. Executives and employees who have been developed are able to increase working capacity and to continuously improve work leading to career advancement which motivates and builds engagement with the organization.
3. Executives and employees have up-to-date knowledge and skills relating to technology, changes in business, new product and service development in order to increase the efficiency of manpower and capability to improve work to better meet the needs of customers.
4. Executives and employees are developed to be quality personnel that create benefit to society.
5. The company has high skill and competent personnel that will help create success according to the business plan.
6. The company has successors in important positions which will make the business operated smoothly and sustainably.
7. The company has personnel with commitment to the organization, as a result of developing employees to ensure higher capabilities and potential.
8. There are new innovations within the organization, developed by more competent personnel.
9. The company has a good image because it has taken care of employees and placed importance on employee development, the same way that the company takes care of customers.

## Occupational Health and Safety

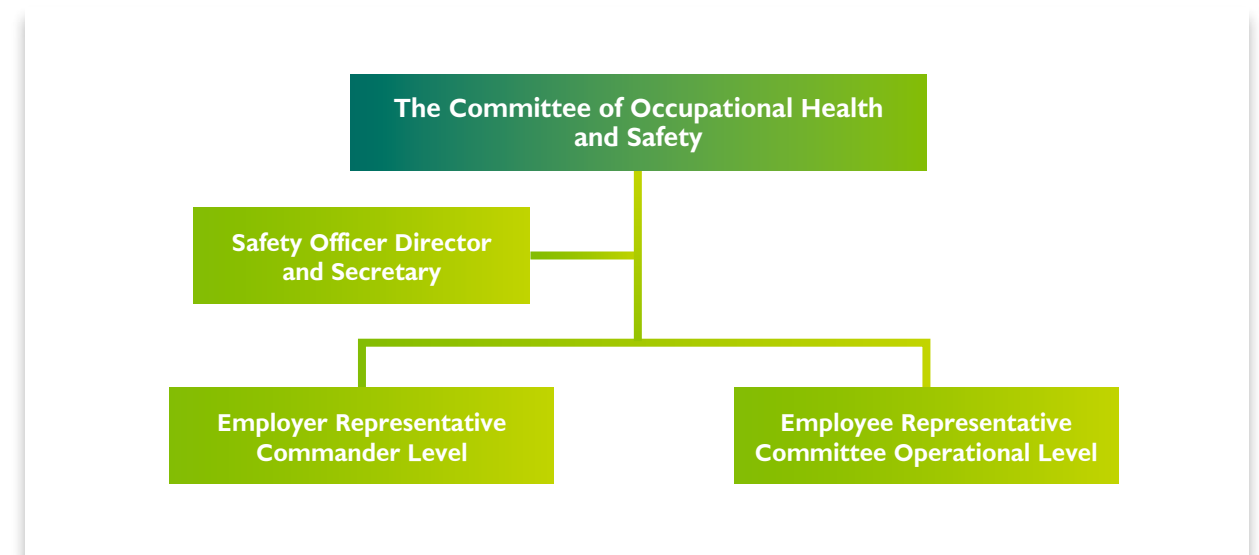
### Occupational Health and Safety Policy (GRI 103-1)

The company operates and supports the well being and safety for the employee by preventing accident and sickness in the workplace. Also, controls anything which is considered unsafety or threat to the business operation by setting Safety, Occupational Health and Work Environment policy as a framework for everyone in the company to follow.

- The company believes that safety is one of the top priorities and responsibilities towards the employee and it is a must to receive the same commitment and coordination to work according to the rules and regulations set for safety purposes along with the company.
- The company is determined to operate business according to the law, occupational health and safety inquiry.
- The company organizes trainings to enhance the knowledge regarding health and safety as well as create awareness for everyone to see and understand the importance of it.
- The company supports budget and resources; human resources, tools and equipment as well other requirements that would keep the employee safe and healthy as well as keeping the hygiene of the working environment as a precaution to any kind of accident or health hazard.
- The company would follow up and evaluate the health and safety performances in order to keep it improving.

Pruksa, follows the international safety standard strictly by adapting and utilizing the health and safety system in the company until received OHSAS 18001:2007 as well as TIS 18001:2554 international standard for Condominium construction In 2019, the company used the Safety Management Performance which is a health and safety management system for town house, single house, and factory with the same standard required by management and law. This clearly shows that safety issue is not compromised in this company whether is it single, town house and condominium. (GRI 102-12)

### The Committee of Occupational Health and Safety (GRI 413-1)



The company establishes the committee of safety, occupational health and work environment from appointing (Commander level) and from the election from the member (Operational level) altogether 25 people. This is to ensure that all health and safety operation is effective by the following role and responsibility.

1. Consider the policy and safety plan within the workplace including external safety in order to prevent any kind of accidents, health, nuisance, or unsafety reports to the executive.
2. Report and recommend procedures to use for improving the health and safety plan at workplace as well as the safety standard for a safe and healthy workplace for executives, employee, contractors and external parties that work within the project area.
3. Support all safety activity at workplace of the company.
4. Consider the framework and manual regarding health and safety at workplace including safety standard at workplace to present to the executives.
5. Explore the safety procedures and accident statistics within the company at least once a month.
6. Consider the project or training plans regarding the safety at work including the training plan or about the responsibility for each individual and present it to the executives.
7. Lay down fundamental of reporting any unsafety condition that must be followed by everyone.
8. Follow up and report to the executive.
9. Prepare the annual report including problems, challenges and advices in the performance of the committee of Safety, Occupational Health and Work Environment and submit it to the executive.
10. Evaluate the safety performance of the company.
11. Operate with safety mindset as assigned by the executive.

## Occupational Health and Safety Operations (GRI 403-3)

1. The company performs risk evaluation in each activity within the company in order to control and prevent risk that might occur; health, mental or physical.
2. The company evaluates the alignment of health and safety policy with the law.
3. The company utilizes Safety Management Performance system to track the safety performances of horizontal construction and to make sure its safety trend.
4. The company appoints specialize people to transfer and share knowledge regarding safety issue at construction site.
5. The company organize training through photo called OPL (One Point Lesson).
6. The company consecutively evaluate the performance by doing Site Walk lead by the project manager.
7. The company holds safety meeting monthly to update and detect any issues and come up with precaution plans.
8. The company prepare camping area for the workers according to the law and is standardized at every project. Also, being an example of best practices for external parties to learn from.
9. The company prepares knowledge regarding rule and regulation, safety, working standard and other relevant information into 4 language so foreigners can understand.
10. The company organizes social responsibility program with the neighboring in order to maintain good relationship, create mutual understanding as well as supporting them.
11. The company evaluates the availability of machinery, equipment, tools to ensure safety for life and property.

12. The company communicates regarding health and safety within the organization through various channels; SMS, E-Mail, PR Board with employee and related parties.
13. The company organizes trainings regarding the principle and practices of using equipment from beginning until the end of process.
14. The company has emergency cases management practices in order to prepare for any challenge that might take place. And for the people to understand the flow of the process; reporting, coordinating as well as their roles and responsibilities during that unfortunate event.
15. The company evaluates the employee performances and make sure it is up to the standard written. If not, penalty would be given.
16. The company investigates every incident that take place in order to find out the core problem and handle it with care so that it won't repeat again
17. The company's executive would revise the policy and management that take place in order to ensure that health and safety performance are effective, sufficient and efficient.
18. The company practices Safety Talk at the project operations as well as Training Need along the process with risk and through the process.
19. The company investigates for drug usage within the employee and contractor by using external authority consecutively in order to prevent crime risk and to obey the law.
20. The company measures and evaluates surrounding environment both within and outside the project to make sure it is safe and healthy for the workers.
21. The company coordinates/ is alliance with the hospital for any emergency or health cases.
22. The company monitors the air quality every day in order to alert employees at risk. The company also support the budget for distributing anti-dusk mark PM2.5 to employees.
23. The company measures and evaluates air pollution that affects the community by spraying water over the source of dust, and removing items that may cause the air pollution.
24. The company investigate for machine and work equipment on a weekly basis and put label (Tag) that passed inspection.

## Work Regulation for Occupational Health and Safety (GRI 403-1)

In order for the safety, occupational health and work environment health operation to reach the most effective performance, work regulation is set as framework to be followed as operational policy as followings :

1. The Safety, occupational and work environmental health for high rise construction work regulation applies the same for the company, contractor, foreman, consultant and other related parties.
2. The Safety, occupational and work environmental health for horizontal construction work regulation applies the same for the company, contractor, foreman, consultant and other related parties.
3. Operational policy related to accident at workplace is set to be followed if any accident takes place within the company. The flow is to inform, report, investigate the accident and prevent the repeating of the same accident in the future.
4. The personal protection equipment policy is set to follow the Standard personal protective equipment (PPE) to standardize the whole company.

5. The regulation for Safety measures for project construction contractors is a contract document with (TOR) by Specify regulations regarding safety and health that the contractors must follow.
6. Project Safety Management Plan is a manual and guideline for project management.
7. Evaluation and Standard safety certify for horizontal is the safety standard for horizontal construction project.
8. Regulations for horizontal safety procedure a standard operating method for contractors for horizontal safety.
9. The company's announcement regarding procedures for safety operations that are highly dangerous about electricity and machinery is a procedure to control high-risk work/operation.
10. Temporary electrical cabinet standards in construction projects is the standard electrical cabinet in the company which every project must follow.
11. The announcement from Committee of Occupational Safety, Health and Work Environment of the Workplace regarding safety steel rules is declared as a standard of operation for high-risk jobs.
12. Workplace Safety policy for contractor is a standard policy for all contractors that work for the company.
13. The dust handling regulation applies when dust values exceeding standard in order to impact on employees and construction projects.
14. The company's announcement regarding procedures for safety guideline is a guideline for operation of safety for employees' work. Punishment will be applied for not following the procedures.

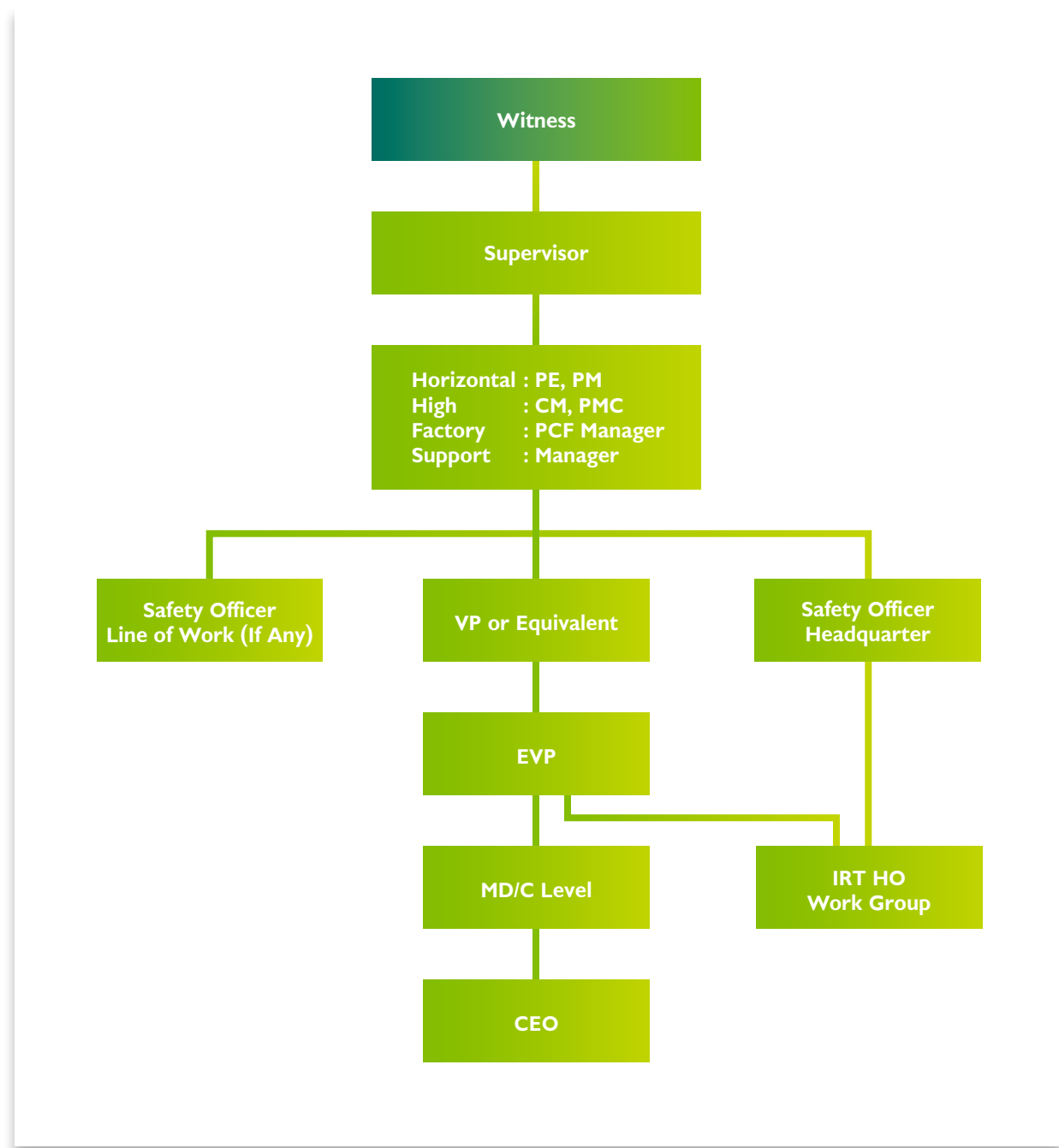
### Operational Control for Safety (GRI 403-7)

The company has controls over all the high-risk activities including hot work, high work, confined space and other related work with firm rule and regulation. At present, there are in total 46 category of business activities of the company. However, regular test and evaluation is performed with clear report on each evaluation. The list is as following :

1. Safety regulations regarding using PPE
2. Safety regulations regarding housekeeper safety
3. Safety regulations regarding fire prevention
4. Safety regulations regarding working at high risk work
5. Safety regulations regarding working at confined space
6. Safety regulations regarding falling prevention
7. Safety regulations regarding working with heat
8. Safety regulations regarding using lift
9. Safety regulations regarding working with power (electrical) equipment
10. Safety regulations regarding lifting and moving things in the office
11. Safety regulations regarding walking ally
12. Safety regulations regarding traffic control
13. Safety regulations regarding automotive control
14. Safety regulations regarding scaffolding
15. Safety regulations regarding work using Footing
16. Safety regulations regarding work using Caissons
17. Safety regulations regarding work using Pile Driving

18. Safety regulations regarding work using Bored Pile
19. Safety regulations regarding Electrical equipment installation
20. Safety regulations regarding Working with chain sling belts
21. Safety regulations regarding working with Mobile Crane
22. Safety regulations regarding working with Hoists
23. Safety regulations regarding working with dangerous chemical (hazardous)
24. Safety regulations regarding noise control
25. Safety regulations regarding dust control
26. Safety regulations regarding toxic waste control
27. Safety regulations regarding Road control in construction areas
28. Safety regulations regarding Steel structure installation
29. Safety regulations regarding Working with wood cutting machines
30. Safety regulations regarding Demolition
31. Safety regulations regarding Drilling work
32. Safety regulations regarding working with Vibro
33. Safety regulations regarding Tower Crane installation
34. Safety regulations regarding Precast Installation
35. Safety regulations regarding working with radiation
36. Safety regulations regarding using computer (Office)
37. Safety regulations regarding Drug and Alcohol Control (Office)
38. Safety regulations regarding event of a high-rise building on fire (Office)
39. Safety regulations regarding Earthquake prevention on high-rise buildings (Office)
40. Safety regulations regarding using copy machine (Office)
41. Safety regulations regarding Tsunami prevention
42. Safety regulations regarding working in the Office
43. Project Safety Plan
44. Safety regulations regarding construction contractor
45. Safety regulations regarding horizontal construction
46. Safety measurement for High-risk job and penalties

**Operation when Incidence Occurs Regarding Occupational Health and Safety in The Company** (GRI 103-2)



**Emergency Safety Procedures**

1. Install fire extinguisher every 20 square meter without CFC at appropriate area which is easy to access in time of necessity.
2. Install emergency light and emergency exit sign
3. Prepare Backup flashlight at emergency exit
4. Prepare Safety Sign at exit point
5. Prepare proper fire exit access point for the fire fighters to operate effectively
6. Prepare and install fire alarm/smoke if possible
7. Install proper fire extinguisher where chemicals and / or fuel are stored.
8. Install a no-smoking or no-fire use sign where chemical/ fuel are stored.
9. Electrical wires used in the office and in the fuel storage facility Is an electrical wire insulated according to international electrical standard.
10. Consecutively test the equipment.
11. Prepare evacuation leader at points in case of emergency.
12. Organize monthly fire fighting training to create awareness and familiarity with the process and equipment
13. Organize emergency case rehearsal as well as first aid and evacuation practice annually

The company has been collecting accident statistic annually as a developing plan to achieve Zero Accident goal. This is to ensure that the quality of life is what matters to the company most.

**Principle of Occupational Diseases Prevention** (GRI 403-6)

The company organizes annual checkup by trusted hospital and medical team for all the staffs in company both operational and management level. Moreover, reducing risk of disease and accident at workplace is a main policy to take care of the employee. That is why appropriate procedures that covers all working condition such as

1. The company evaluation on health impact and the risk from daily activities.
2. The construction site, factory worker that might get effected from dust, noise pollution that might create health hazard; respiratory system. The company usually do a health checkup before the start of the project, prepare masks and first aid equipment.
3. The company monitors the impact of work environment by organizing annual checkup with occupational therapist and determines corrective actions.

**In Terms of Danger in High Risk Jobs Prevention** (GRI 403-2)

The company has controls for high-risk activities as follows :

1. The executives inspect safety in construction projects every quarter in order to be leadership in safety and to access safety in construction projects.
2. Temporary electrical system with automatic electrical cutoff system (ELCB) is designed to be used for preventing electric current, electric shock, electric shock and overload. The electrical system in the worker's residence is designed for their safety and establish standard for electrical maintenance by using log out system.
3. For high-risk jobs include, working in high area, heat-related work, confined work and drilling work, Safety Work Permit is used as a standard to control the safety before-during-after the operation for the safety of workers and equipment throughout the organization.

4. Check-up based on risk factors is used to monitor working activity whether there is any effect on health.
5. The company has improved work standards and has penalties for failing to comply with safety standards so the whole organization must follow. For suppliers, they must follow guideline in the construction contract addendum.

### Use of Raw Materials, Equipment and Chemicals Safety

1. The company select safe raw material which is not dangerous for the customer or the workers; selecting raw material and furniture without Volatile Organic Chemicals (VOCs) such as Formaldehyde.
2. The company controls the storage of chemical used by separating each type of chemical substances and providing Safety Data Sheet (SDS) of each chemical compound with clear prescription and name written at each of it following the law and the company's standard and regulation.
3. The company performs Audit Supplier in order to evaluate the standard of raw material from supplier and make sure it's up to the standard and requirement.

### Building Awareness on Health and Safety Training (GRI 403-4, GRI 403-5)

The company organized 9 health and safety trainings programs in total of 41 classes in order to raise awareness of the safety and health issue. Also, the aim was to deliver knowledge and best practice to eliminate risk; physical, mental and accident at workplace by external party those authorized by Ministry of Labor. The participant would receive certificate after attending the program. The training programs are as followings :

1	Work Safety Consciousness	159 People
2	Safety Officer for Supervisor Level	45 People
3	Safety Officer for Executive Level	14 People
4	Safety Office for Technician Level	22 People
5	The Committee of Safety, Occupational Health and Work Environment	2 People
6	Emergency Response Plan; Firefighting	22 People
7	First Aid and Cardio Pulmonary Resuscitation (CPR)	72 People
8	Safety Roles for Project Managers	93 People
9	Safety Work Permit System for High-risk Jobs	1,049 People



### Raising Awareness on Safety for Employees and Suppliers

The company has organized training to increase skills, knowledge, occupational health and safety in high-risk jobs for employees and suppliers so they can work correctly and safely. This will reduce any losses that may occur.



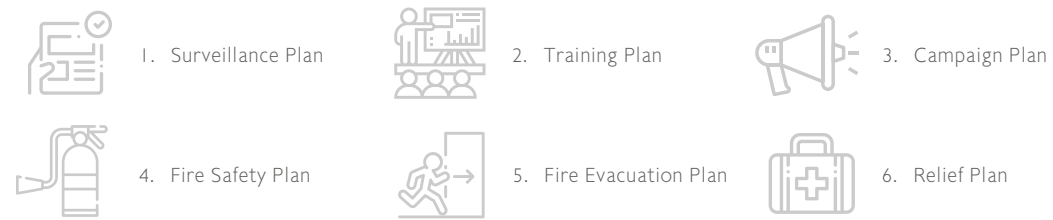
### Emergency Drills

The company organize basic firefighting trainings and basic life support (CPR). There are more than 50 percent of the total employees passed the test which is more than the number required by the law. The company has also regularly train on business continuity plan (BCP) in order to reduce the risk in the event of an emergency. Employees are able to carry out the procedures correctly, appropriately and ready for the situation.

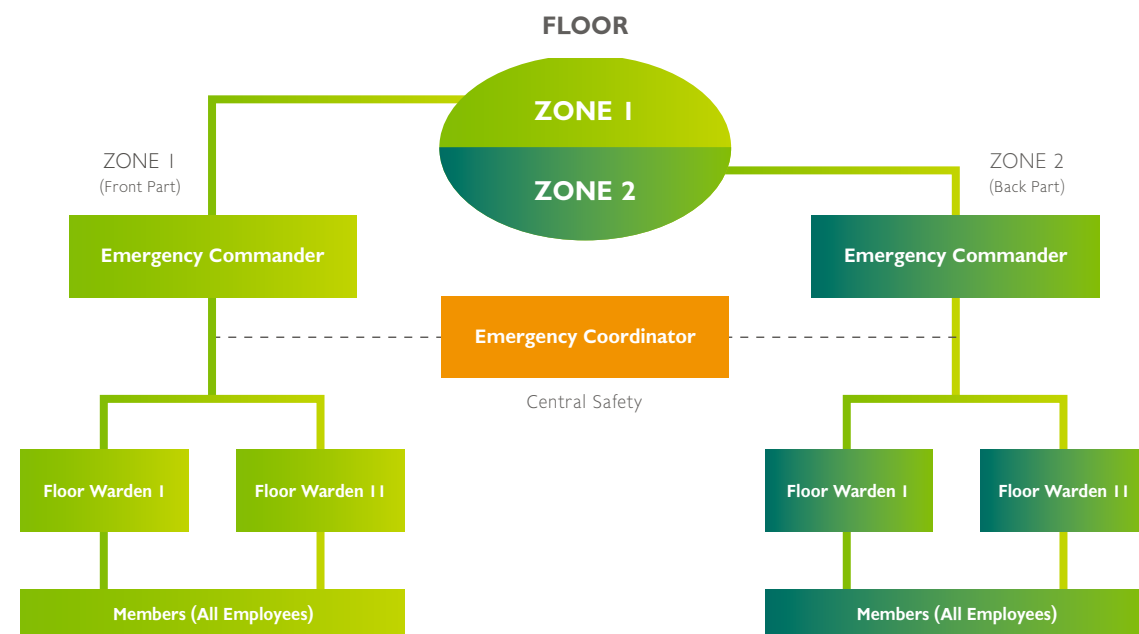


## Fire Prevention and Succession Plan

The company has prepared a fire prevention and extinguishing plan consisting of



### Fire Evacuation Plan of the Floor



In 2019, there are 55 percent of the company's employee has passed through the training which is higher than the requirement by law. The company had fire evacuation team on each floor to comply with building conditions as the following :

- Emergency Commander is responsible for
  - Decision maker in case of any emergency
  - Inform the team leader and employee to evacuate through fire exit
- Floor warden I is responsible for
  - Following the emergency commander orders
  - Give knowledge to member (employee) regarding emergency evacuation situation
  - Be the leader of employee and lead them through Fire Exit by holding a fire flag to the assembly area
  - Count the names and make sure everybody is safe
  - Report the evacuation report to the commander and safety authority

- Floor warden II is responsible for
  - Reporting to the floor commander and safety authority
  - Give knowledge to member (employee) regarding emergency evacuation situation
- Team Member is responsible for
  - Follow up with the evacuation plan strictly
  - Evacuate to the assembly area
  - Report to the Leader of the evacuation team

### Characteristic of the Team Leader I and 2

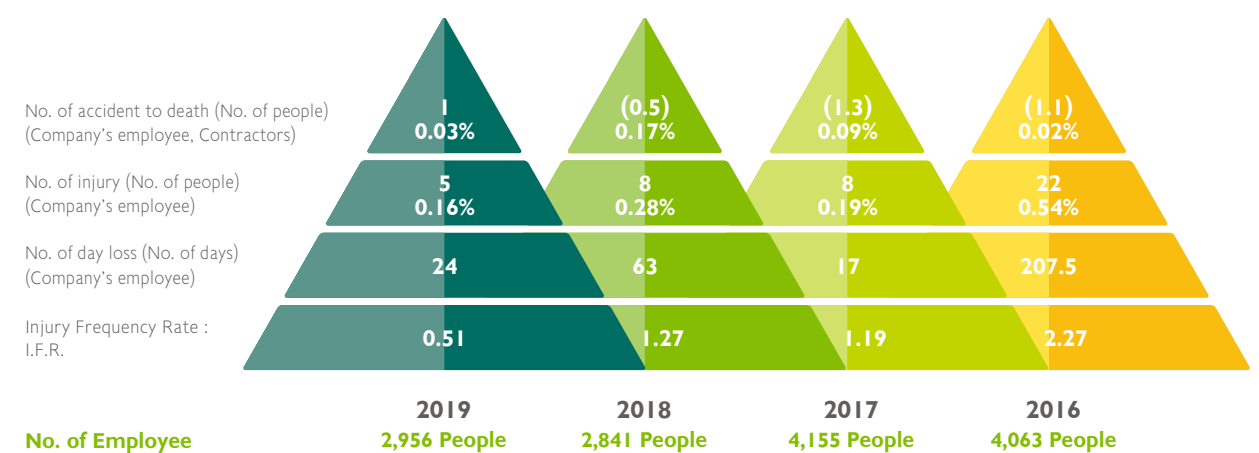
- Capability to stop the initial firefighting (passed the basic training)
- Ability to support the team member from initial injury (passed the first aid and live saving training)

The company has performed the firefighting preparation practices with the aim to prepare the employee in case of emergency. To let them know what to do and where to go in such cases. The team leader, executive must be trained to understand the responsibility, be aware of the construction of the building and understand how all the safety system work.



### Accident at Workplace Statistic 2016 - 2019 (GRI 103-3, GRI 403-9)

From the statistic in 2019, the overall tendency of injury rate and absence rate has decreased comparing to the previous year.



## Sustainable Community and Social Development Engagement

The company continuously focuses on the responsibility to community, social and environment under good cooperate governance. In 2019, the company emphasizes this intention by using the expertise in Core Business to develop Corporate Social Responsibility (CSR) for Sustainable Development (SD) in order to enhance the quality of life for stakeholders as well as communities and society through 3 mains area which are (GRI 103-1, GRI 103-2)

1. **Heart to Home** : Care for the quality of life and well-being
2. **Heart to Earth** : Care for the environmental impact
3. **Heart to Society** : Care for the society and providing good opportunities

In 2019, the company has participated as a part in driving the society according to the company's Heart to Society for sustainable development policy. In order for the company to achieve sustainable development goals at the national and international level (Sustainable Development Goals : SDGs), this is done through various projects as follows :

- **“Vocational Teacher 4.0 By Pruksa” project**

Works with the office of the Vocational Education Commission, Ministry of Education. Raising the standards of the Thai education industry to the international level by providing both theoretical and practical knowledge for vocational teachers in the construction field and together developing potential through professional training courses in technology and modern home construction innovation to 5 people from 5 institutions which are Uthai Thani Technical College, Surat Thani Technical College, Lampang Technical College, Hua Sai Industrial and Community Education College in Nakhon Si Thammarat Province, and Nakhon Sawan Industrail and Community Education College. This will transfer knowledge to vocational students so they will become qualified technicians. Improving the quality of life for more than 120,000 vocational students in the construction industry so they will become quality technicians to the society. (GRI 103-3, GRI 413-1)



Vocational teachers received knowledge from practical training at the number of **5 Persons**



Vocational students gain knowledge through the trained teachers at the number of **120,000 Persons**

- **“Thai Youth Cooperation and Development toward Construction Industry 4.0 Era” Project for the 3<sup>rd</sup> Year**

Works with the Office of the Vocational Education Commission Ministry of Education organized teaching and learning courses for construction/civil internship at the vocational level to comply with government policies and the need for personnel in the construction industry in the 4.0 era. This is done by transferring knowledge and expertise in construction as well as Pruksa's innovations and new technology. Ten students from Thanyaburi Technical College have the opportunity to work as interns on for 8 months in order for students to develop the capability and potential in practice and can operate efficiently for new businesses in 4.0 era. Helps 10 vocational students to improve the quality of life in order to be quality technicians to the society. (GRI 103-3, GRI 413-1)



Vocational students receive knowledge from practical training at the number of **10 Persons**

- **“Pruksa’s Innovation Learning Center” Project for the 10<sup>th</sup> Year**

Promoted the students from educational institutions in higher education nationwide in 9 institutions consisting of Chulalongkorn University, Kasetsart University, Silpakorn University, King Mongkut’s University of Technology Thonburi, King Mongkut’s University of Technology North Bangkok, Sripatum University, Assumption University, Asian Institute of Technology, and Zhejiang University. By being a source of learning outside the classroom in precast panel production technology and innovation of industrial system quality house construction (Pruksa REM), this will promote and develop professional skills for teachers and students who will be important forces in developing the country’s real estate business to be sustainable. Helps improving the quality of life for 592 teachers and students in higher education to have knowledge and experience from on-site learning so they can be creative in learning about real estate business for Thailand.

(GRI 103-3)



Professors, undergrads and college students gain knowledge from work visit at the number of **592 Persons**

• **“Pruksa Scholarship” Project for the 18<sup>th</sup> Year**

Promoted educational opportunity to the children of the employees through grant of education fund of “Pruksa Scholarship” in primary education, secondary education and vocational education levels with good academic record for total of 121 scholarships in total amount of education fund of 840,000 baht. Help improving the quality of life in education for 121 employees’ children to receive educational opportunities and grow to be quality youths. (GRI 103-3)



Employees’ Children Receive Educational Opportunities

**121** Persons

• **“Seeding Scholarship” Project for the 6<sup>th</sup> Year**

Promoted education of the youths by grant of “Seeding Scholarship” to the third year students in Department of Civil Engineering, Faculty of Engineering, for 6 scholarships of 100,000 baht each, totaling to scholarship amount of 600,000 baht. Helps improving the quality of life in education for 6 Thai youths to grow to be quality engineers. (GRI 103-3)



Thai Youths Receive Educational about Engineering

**6** Persons

• **Exhibition for 25<sup>th</sup> Year Anniversary of Pruksa Holding Group**

Organized an exhibition for 25<sup>th</sup> anniversary, Pruksa Holding Business Group to transfer knowledge and success experience of working on the real estate since 1993 till present including housing innovations that are friendly to both resident and the environment. This is to share strategies for sustainable success with the teachers and students from Thammasat University, Mahidol University, and Dhurakij Pundit University at the Pearl Bangkok building. Helps improving the quality of life in education for 19 teachers and students to have knowledge about Pruksa’s projects and construction innovation for residence so they can be creative in learning about real estate business for Thailand. (GRI 103-3)



Teachers and Students have Knowledge about Real Estate Business

**19** Persons

• **Sharing Knowledge of Real Estate Business by Top Executives**

Top executives paid attention to the development in real estate knowledge by being a guest speaker to share knowledge and experience in operation of real estate business with 6 leading educational institutions and business organizations which are Thai Environment Institute Foundation, The Next Real, Thai Condominium Association, Marketing Association of Thailand, Assumption University and Assumption Commercial College. Helped improving the quality of life in education for 480 teachers, students and others to gain knowledge from direct experience from the company’s top executives in order to further develop educational knowledge.



Faculty, undergrads, college students and general public have received real estate business knowledge of

**480** Persons

• **“Home Care for People with Disability By Pruksa” Project**

Joined with the Social Innovation Foundation, Sirindhorn Hospital and network community Ban Haet District, Khon Kaen province in building and improving 6 houses for the disabled for safety, reducing accidents at home and use the company’s Core Business to drive the process. This helped strengthen the physical and mental performance of the disabled to be strong and safe with sustainable happiness quality standard. Helped improving the quality of life for 8 people with disabilities and 300 people involved in the care for people with disabilities. (GRI 103-3, GRI 413-1)



People with disabilities own houses that are strong, safe, and help build physical fitness at the number of

**6 Units**

• **Display Room for the Elderly for Learning at Lerdsin Hospital**

Joined with the Department of Medical Services, Ministry of Public Health to develop innovative house for the elderly under Capture the Fracture Project at Lerdsin hospital. Open a sample room with various equipment installed and modern innovation to help facilitate the elderly and patients with hip fractures including giving education in preparing the space for the elderly after receiving rehabilitation from the hospital when returning to normal daily life at home to prevent repeated falls. Helped improving the quality of life for 59 elderly and patients with hip fractures to have knowledge to prevent repeated falls from unsafe housing conditions. (GRI 103-3, GRI 413-1)



Elderly and hip fracture patients received knowledge on preventing repeated falls

**59 Persons**

• **“Pruksa Volunteer Mind in Blood Donation” Project for the 12<sup>th</sup> Year**

Joined with National Blood Centered, Thai Red Cross Society and Phayathai District Office to organize “Pruksa Volunteer Mind in Blood Donation” to campaign for executives, employees and other people to donate blood in order to help patients waiting for treatment due to an accident, surgery or disease that requires timely blood therapy. Helped improving the quality of life for up to 2,400 patients, who are waiting to receive blood donations from hospitals around the country, with 360,000 CC of blood volume giving to Thai Red Cross Society. (GRI 103-3)



Blood Volume giving to Thai Red Cross Society

**360,000 CC**



Patients Receive Blood Donations

**2,400 Persons**

• **“Pruksa Health Check” Project**

Joined with Baan Mhor Vimut Clinic and Phayathai District Office to organize free health check activities “Pruksa Health Check” for the elderly on International Day of Older Persons and World Sight day. This was for the preliminary health examination along with advising on health care and preventing the risk of accidents or falls. Helped improving the quality of life for 60 elderly in the ear of Phaya Thai to be healthy and strong. (GRI 103-3, GRI 413-1)



The elderly received health check-ups and have knowledge of good health care, at the number of **60 Persons**

• **Happy Home Project**

Joined with Paolo Hospital to organize Free Physical Examination Project (Happy Home) in order to educate health care knowledge by nutritionist and anti-aging formula frozen drink making method to the customer of 30 Baan Pruksa Projects to be sustainably health in the areas of Bangkok, Pathum Thani, Samut Prakan and Nonthaburi Province. Helped raising the quality of life for 25,647 Pruksa’s customers to be healthy and strong. (GRI 103-3, GRI 413-1)



Pruksa’s Customers received health check-ups and knowledge of good health care at the number of **25,647 Persons**

• **“Thong Fah Store” Project**

Joined with Office of Commercial Affairs Nonthaburi to organize “Thong Fah Store” Project in order to support 5 Baan Pruksa Projects in the areas of Bangkok, Pathum Thani, Samut Prakan, and Nonthaburi Provinces, to purchase quality consumer goods in special price for alleviation of household expenditure and promotion of good quality of life and livelihood. Helped improving the quality of living and livelihood for the company’s customers in the total of 25,647 to have quality of life and well-being. (GRI 103-3)



Reduce expenses for **25,647 Customers**

• **“Pruksa Full of Happiness and Delight” Project for the 7<sup>th</sup> Year**

Organized “Full of Happiness and Delight” Project to encourage 50 executives and the employees to spend their leisure time for usefulness by participating in giving money and factors in order to help patients with HIV at Phrabat Nampu temple, Lop Buri province. Helped improving the quality of life for patients with HIV with items and factors in the amount of 90,169 baht. (GRI 103-3)



Donate to help patients with HIV at the amount of **90,169 Baht**

• **“Sermon, Talk, Life Guidance” Project for the 6<sup>th</sup> Year**

Joined with the Pearl Bangkok Building and Phayathai District Office to organize a dharma listening activity on Happy Work with Dhamma by Phra Maha Sompong Talaputto under “Sermon, Talk, Life Guidance” Project in order to cultivate executives and employees to have morality, ethics and work happily. Helped raising the minds of 102 executives, employees and other people with morality, ethics and happy work. (GRI 103-3)



Promote knowledge on morality and ethics to executives, employees and general public to

**102 Persons**

• **Offering Food to Monks on the Important Religious Days**

Joined with the Pearl Bangkok Building and Phayathai District Office to organize merit making activities to give alms to monks in the important Buddhist days on New Year, Makha Bucha, Visakha Puja, and Asanha Bucha days in order to encourage executives, employees and people in Phaya Thai area to have the giving mind and compassion by sharing consumer goods and factors to Wat Bowonniwet, Ratchaworawihan. Helped elevating the minds of more than 800 executives, employees and other people to have morality, ethics and happiness, and helps improving the quality of life for 36 monks. (GRI 103-3)



Promote a heart of sharing and helping others to executives, employees and general public to

**800 Persons**

**Pruksa raises awareness of Sustainable Development through various departments’ Outing activities** (GRI 103-3)

In 2019, the company encourages employees to help community, society and environment through Outing activities under Various Sustainable Development Activities. Help raising the quality of life for more than 33,000 people in religious places, foundations, organizations, educational institutions and communities in the surrounding area. such as

- Pruksa Running 2019 Run with Pleasure... Run with Merit
- Heart to Society pay attention to society and creating happiness for the elderly
- Dyeing Happiness PukPun Sharing for the world
- “Townhouse Together 2019” Estimate Outing Trip 2019 @Kanchanaburi Reducing Environmental destruction Tourism
- Social Work at Wat Phra Phutthaeng Tham
- Baan Pruksa Made by Hand Do by Heart in Hin Kong Municipal School/Hin Kong Municipal School
- Landscape improvements in Child Development Center Khanong Phra Subdistrict Administration Office
- Share happiness at Makutkiriwan (Khao Yai) School for the Blind
- Donate money for scholarships and buy sports equipment
- Social work and offering factors and cleaning equipment to religious institutions at Nong Yai Temple
- Planting mangrove forest Conserving water resources - Growing coral
- Luncheon at Child Development Center
- Sustainable agriculture to Tao Tan Amphawa Community
- SBD Preserving Thainess Care for the environment
- Helping schools in need in the remote areas project
- Giving items in good condition to the foundation/school in need at Rangsit Infant Home
- School development, Give Scholarship, Lunch for children at Wat Phai Chorakhe school, etc.



Religious Places, Foundations, Organizations, Educational Institutions and Communities in the surrounding area have The Quality of Life

**33,000 Persons**



Employees Engagement in Sustainable Development and CSR Activities

**3,022 Persons**



## Sustainable Development Network Engagement (GRI 102-13)

The company promotes driving the sustainability policy with the government and organizations for the benefit of sustainable development, which are as follows :

- Became a member of TBCSD, Thailand Business Council for Sustainable Development, to show the organization's standpoint in participating in driving Thailand towards sustainable development.
- Be a member of Thai Private Sector Collective Action Coalition Against Corruption Program (CAC) to help solve the problem of corruption through the formulation of policies and guidelines for refusing to accept and pay bribes; including corruption in all forms for executives and employees of the company to abide by as a strict practice guidelines throughout the organization.
- Being a network partner to support the employment of people with disabilities in accordance with Article 35; in collaboration with the Social Innovation Foundation Office of Thai Health Promotion Fund, Ministry of Labor, Ministry of Social Development and Human Security for 6<sup>th</sup> consecutive years.
- Being a network partner to promote constructing and improving housing for the disabled through the project Caring for People with Disabilities by Pruksa and Social Innovation Foundation, Sirindhorn Hospital, Department of Provincial Administration, Department of Local Administration, Maha Sarakham University, Special Education Center, Educational Region 9 Khon Kaen Province, Tambon Health Promoting Hospital in the area, Red Cross Ban Had District and the supporter for the disabilities wellness.
- Being a network partner to promote the development of the quality of education standards for construction field at a vocational level through "Vocational Teacher 4.0 By Pruksa" project where Pruksa collaborate with the Vocational Education Commission, Ministry of Education in order to upgrade Thai vocational education to meet international standards.
- Being a network partner to promote the development of quality of education standards in the project "Bilateral in the workplace" together with the Office of the Vocational Education Commission, Ministry of Education; in order to upgrade Thai vocational education to meet international standards for 3<sup>rd</sup> consecutive years.
- Being a network partner to support community-friendly business operations (Community-Friendly Business) in collaboration with Thaipat Institute by supporting community products as snacks in various activities of the organization in order to create jobs and create sustainable income for the community, for 3<sup>rd</sup> consecutive years.
- Being a network partner of academic cooperation on the aspect of environment that cares for elderly safety; the company together with the Department of Medical Services and Ministry of Public Health jointly study new innovations with the interior design and use of materials that is considered to be safe for the elderly. This will help reduce and prevent accidents which may occur from the environments that is not favorable for the elderly to live in. A safe Sample area for the elderly is provided at Lerdsin Hospital which is to be used as a learning location for doctors and nurses; including the elderly and patients' relatives. Along with providing knowledge on how to organize a safe area for the elderly, who will be returning home after the rehabilitation from the hospital.
- Join a business network that is conducive to achieving sustainable development goals (SDG-Friendly Business) in collaboration with Thaipat Institute to enhance the driving of business operations to respond to SDGs in terms of responsible operations, monitor the negative effects and prevent it from causing social damage, including the pursuit of opportunities that will create positive impact on the business and society at the same time.
- Participate in the Sustainability Disclosure Community (SDC) in collaboration with Thaipat Institute to improve the disclosure of sustainability information in the regional and international communities; as well as develop organization to a long-term sustainability.

## Appendix

### About this Sustainability Report

#### Background (GRI 102-50, GRI 102-52, GRI 102-54)

Pruksa Holding PCL has been presenting the annual sustainability report and this year marks the 4<sup>th</sup> consecutive years. The report covers The company's performances in economic, social, environment and good governance practices from January 1<sup>st</sup> until December 31<sup>st</sup>, 2019. This report has been prepared in accordance with the GRI Standards: Core option. Moreover, the company integrates the performances with the Sustainable Development Goals: SDGs in order to ensure the commitment towards sustainable development together with all stakeholders. Finally, the report includes the executive summary of the interviews from stakeholders responses towards Pruksa Holding PCL as well.

#### Boundaries of the Report (GRI 102-45)

This report represents the performances in economic, social, environment and good governance practices of Pruksa Holding PCL and it's subsidiaries including Pruksa Real Estate PCL and Vimut Hospital Holding CL operating in Thailand only within January 1<sup>st</sup> until December 31<sup>st</sup>, 2019. The performance indicators in economic, social, environment and good governance would only cover for Pruksa Real Estate PCL because Vimut Hospital Holding CL is currently under construction.

#### Report Credibility (GRI 102-56)

This sustainability report has been revised and analyzed by executives in each field of work. The contents have been revised with proper fact and figures covering all important aspects that matters to the company's sustainable development progress. Moreover, this report has been evaluated the performances and key performances index by the Third Party with expertise in order to ensure the credibility and transparency according to the Global Reporting Initiative: GRI standards as indicated in the following pages 144-145

#### Inquiry and Suggestion (GRI 102-53)

For more inquiry or suggestion related to this report, kindly contact



#### Corporate Social Responsibility (CSR) Department

Pruksa Holding PCL  
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# Independent Assurance Statement

## To Pruksa Holding PCL on the Sustainability Report 2019

Pruksa Holding PCL or PSH requested Thaipat Institute (the Foundation for Thailand Rural Reconstruction Movement under Royal Patronage) to carried out an assurance engagement response to the Sustainability Report 2019.

### Criteria for report preparation

- The Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option.

### Criteria for assurance standards

- The AA1000 Assurance Standard (AA1000AS 2008).

### Addressee

The intended users of this assurance statement are the management of PSH and its associated stakeholders.

### 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 Standards in accordance with 'Core' option. The scope of this assurance engagement does not provide conclusions on the reliability of the performance information.

### Disclosures Covered

The assurance engagement is based on information that is publicly disclosed on the Sustainability Report 2019 of PSH for the year ended 31 December 2019.

### Limitation

The assurance engagement checks only the final content received, not the content in the final layout format.

### 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 Sustainability Report 2019 of PSH.
- Analyzed information on performance provided in the Sustainability Report 2019 of PSH as a source of evidence to evaluate adherence to the principles and guidelines.
- Inquired the processes PSH undertaken to adhere to the principles of inclusivity, materiality and responsiveness.
- Assessed the extent to which PSH has applied the GRI Sustainability Reporting Standards including the Reporting Principles.
- Provided observations/recommendations to PSH 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 PSH 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 Sustainability Reporting Standards, we conclude that PSH 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 Sustainability Report 2019 of PSH 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 several means to engage and obtain stakeholder's interests and expectations as well as rationales behind its stakeholder identification process. However, PSH shall report frequency of engagement approaches by type and by stakeholder groups including PSH should report the results of its action and the linkage between actions and relevant content disclosures should be relatively addressed.

*Materiality:* The report clearly illustrates its reporting process and the linkage between material topics and their relevant disclosures. However, PSH shall report the steps taken to define the topic Boundaries including assumptions and subjective judgements made in the defining content process with Materiality principle.

*Responsiveness:* PSH demonstrates its intensive responses through material topics which consist of their management approaches and disclosures. However, PSH should determine targets and timelines with S.M.A.R.T. concept (Specific, Measurable, Achievable, Relevant, and Time Bound) in line with Sustainable Development Goals (SDGs).

To shape future sustainability reporting in according to the GRI Sustainability Reporting Standards, we have made the following suggestions:

- In General Disclosures, collective bargaining agreements shall indicate percentage of employees covered by collective bargaining agreements.
- In Management Approach Disclosures, the management approach and explanation boundary of material topics shall state clearly and precisely indicated which topics are covered by each disclosure, including how the organization manages the topics, the management approach components (Policies, Commitments, etc.), and evaluation of management approach.
- Performance Disclosure on Procurement Practice shall include definition of 'local' and 'significant locations of operation'.
- Performance Disclosure on Anti-Corruption shall include total number and percentage of operations assessed for risks related to corruption, numbers and percentages of higher executives, employees, and business partners who receive communications/training of anti-corruption policies and procedures. Those

engagements should be performed, and documented as evidence-based processes.

- Performance Disclosure on Material shall include total weight or volume of materials that are used to produce primary products and break down by non-renewable and renewable material used.
- Performance Disclosure on Employment shall indicate benefits provided to full-time employees that are not provided to temporary or part-time employees (life assurance, health care, disability and invalidity coverage, etc.).
- Performance Disclosure on Occupational Health and Safety shall indicate the processes used to identify work-related hazards and assess risks on a routine and non-routine basis, the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system.

### 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 GRI training partner to provide certified training programs in Thailand since 2013, and joined the GRI Data Partners program in 2016. Our team has the relevant professional and technical competencies and experience in corporate responsibility and sustainability for several years. During FY2019, we did not provide any services to Pruksa that could conflict with the independence of this work.

For Thaipat Institute

By Vorranut Piantam

Bangkok  
18 February 2020



# GRI Content Index (GRI 102-55)



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

For the SDG Mapping Service, GRI Services reviewed that the disclosures included in the content index are appropriately mapped against the SDGs.

GRI Standard	Disclosure	Page Number(s) or Direct Answer	Omission	Sustainable Development Goals (SDGs)
<b>GRI 101 : Foundation 2016</b>				
<b>General Disclosures</b>				
<b>GRI 102 : General Disclosures 2016</b>				
102-1	Name of the organization	Front cover		-
102-2	Activities, brands, products, and services	Page 14		-
102-3	Location of headquarters	Back cover		-
102-4	Location of operations	Back cover		-
102-5	Ownership and legal form	Page 17		-
102-6	Markets served	Page 14		-
102-7	Scale of the organization	Page 107		-
102-8	Information on employees and other workers	Page 107		Goal 8: Decent work and economic growth
102-9	Supply chain	Page 51		-
102-10	Significant changes to the organization and its supply chain	Page 15		-
102-11	Precautionary Principle or approach	Page 20		-
102-12	External initiatives	Page 20, 23, 127		-
102-13	Membership of associations	Page 143		-
102-14	Statement from senior decision-maker	Page 4		-
102-15	Key impacts, risks, and opportunities	Page 22		-
102-16	Values, principles, standards, and norms of behavior	Page 17, 29		Goal 16: Peace, justice and strong institutions
102-18	Governance structure	Page 18		-
102-40	List of stakeholder groups	Page 31		-
102-41	Collective bargaining agreements	Page 32		Goal 8: Decent work and economic growth
102-42	Identifying and selecting stakeholders	Page 31, 32-36		-
102-43	Approach to stakeholder engagement	Page 32-36		-
102-44	Key topics and concerns raised	Page 32-36		-

GRI Standard	Disclosure	Page Number(s) or Direct Answer	Omission	Sustainable Development Goals (SDGs)
102-45	Entities included in the consolidated financial statements	Page 17, 143		-
102-46	Defining report content and topic Boundaries	Page 37, 39		-
102-47	List of material topics	Page 39		-
102-48	Restatements of information	No restatements		-
102-49	Changes in reporting	No restatements		-
102-50	Reporting period	Yearly		-
102-51	Date of most recent report	1 January - 31 December 2018		-
102-52	Reporting cycle	1 January - 31 December 2019		-
102-53	Contact point for questions regarding the report	Page 142		-
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option		-
102-55	GRI content index	Page 146-151		-
102-56	External assurance	Page 142		-
<b>MATERIAL TOPICS</b>				
<b>Economic Performance</b>				
<b>GRI 103 : Management Approach 2016</b>				
103-1	Explanation of the material topic and its Boundary	Page 41		-
103-2	The management approach and its components	Page 41		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
103-3	Evaluation of the management approach	Page 41		-
<b>GRI 201 : Economic Performance 2016</b>				
201-1	Direct economic value generated and distributed	Page 41		Goal 2: Zero hunger Goal 5: Gender equality Goal 7: Affordable and clean energy Goal 8: Decent work and economic growth Goal 9: Industry, Innovation and Infrastructure
<b>Procurement Practices</b>				
<b>GRI 103 : Management Approach 2016</b>				
103-1	Explanation of the material topic and its Boundary	Page 57		-

GRI Standard	Disclosure		Page Number(s) or Direct Answer	Omission	Sustainable Development Goals (SDGs)
	103-2	The management approach and its components	Page 58		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
	103-3	Evaluation of the management approach	Page 67		-
<b>GRI 204 : Procurement Practices 2016</b>					
	204-1	Proportion of spending on local suppliers	Page 67		Goal 12: Responsible consumption and production
<b>Anti-Corruption</b>					
<b>GRI 103 : Management Approach 2016</b>					
	103-1	Explanation of the material topic and its Boundary	Page 68		-
	103-2	The management approach s and its component	Page 68		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
	103-3	Evaluation of the management approach	Page 75		-
<b>GRI 205 : Anti-Corruption 2016</b>					
	205-1	Operations assessed for risks related to corruption	Page 68		Goal 16: Peace, justice and strong institutions
	205-2	Communication and training about anti-corruption policies and procedures	Page 70		Goal 16: Peace, justice and strong institutions
	205-3	Confirmed incidents of corruption and actions taken	Page 75		Goal 16: Peace, justice and strong institutions
<b>Materials</b>					
<b>GRI 103 : Management Approach 2016</b>					
	103-1	Explanation of the material topic and its Boundary	Page 96, 100, 101		-
	103-2	The management approach and its components	Page 96		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
	103-3	Evaluation of the management approach	Page 96		-
<b>GRI 301 : Materials 2016</b>					
	301-1	Materials used by weight or volume	Page 96, 97, 98		Goal 8: Decent work and economic growth Goal 12: Responsible consumption and production

GRI Standard	Disclosure		Page Number(s) or Direct Answer	Omission	Sustainable Development Goals (SDGs)
	301-2	Recycled input materials used	Page 96, 97, 98		Goal 8: Decent work and economic growth Goal 12: Responsible consumption and production
<b>Effluents and Waste</b>					
<b>GRI 103 : Management Approach 2016</b>					
	103-1	Explanation of the material topic and its Boundary	Page 94, 96, 97, 98		-
	103-2	The management approach and its components	Page 96, 99, 100		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
	103-3	Evaluation of the management approach	Page 93, 94, 95, 100		-
<b>GRI 306 : Effluents and Waste 2016</b>					
	306-1	Water discharge by quality and destination	Page 93, 94, 100		Goal 3: Good health and well-being for people Goal 6: Clean water and sanitation Goal 12: Responsible consumption and production Goal 14: Life below water
	306-2	Waste by type and disposal method	Page 96, 97, 98, 100		Goal 3: Good health and well-being for people Goal 6: Clean water and sanitation Goal 12: Responsible consumption and production
	306-4	Transport of hazardous waste	Page 100		Goal 3: Good health and well-being for people Goal 12: Responsible consumption and production
<b>Environmental Compliance</b>					
<b>GRI 103 : Management Approach 2016</b>					
	103-1	Explanation of the material topic and its Boundary	Page 83		-
	103-2	The management approach and its components	Page 83		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
	103-3	Evaluation of the management approach	Page 83		-
<b>GRI 307 : Environmental Compliance 2016</b>					
	307-1	Non-compliance with environmental laws and regulations	No situation for non-compliance with environmental laws and regulations		Goal 16: Peace, justice and strong institutions

GRI Standard	Disclosure	Page Number(s) or Direct Answer	Omission	Sustainable Development Goals (SDGs)
<b>Employment</b>				
<b>GRI 103 : Management Approach 2016</b>				
103-1	Explanation of the material topic and its Boundary	Page 105		-
103-2	The management approach and its components	Page 106		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
103-3	Evaluation of the management approach	Page 106		-
<b>GRI 401 : Employment 2016</b>				
401-1	New employee hires and employee turnover	Page 107		Goal 5: Gender equality Goal 8: Decent work and economic growth
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 109		Goal 8: Decent work and economic growth
<b>Occupational Health and Safety</b>				
<b>GRI 103 : Management Approach 2016</b>				
103-1	Explanation of the material topic and its Boundary	Page 121		-
103-2	The management approach and its components	Page 126		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
103-3	Evaluation of the management approach	Page 131		-
<b>GRI 403 : Occupational Health and Safety 2018</b>				
403-1	Occupational health and safety management system	Page 123		-
403-2	Hazard identification, risk assessment, and incident investigation	Page 127		-
403-3	Occupational health services	Page 122		-
403-4	Worker participation, consultation, and communication on occupational health and safety	Page 128		-
403-5	Worker training on occupational health and safety	Page 128		-
403-6	Promotion of worker health	Page 127		-

GRI Standard	Disclosure	Page Number(s) or Direct Answer	Omission	Sustainable Development Goals (SDGs)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 124		-
403-9	Work-related injuries	Page 131		-
<b>Training and Education</b>				
<b>GRI 103 : Management Approach 2016</b>				
103-1	Explanation of the material topic and its Boundary	Page 111		-
103-2	The management approach and its components	Page 110		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
103-3	Evaluation of the management approach	Page 113, 114, 120		-
<b>GRI 404 : Training And Education 2016</b>				
404-1	Average hours of training per year per employee	Page 113, 114		Goal 4: Quality education Goal 5: Gender equality Goal 8: Decent work and economic growth
404-2	Programs for upgrading employee skills and transition assistance programs	Page 111		Goal 8: Decent work and economic growth
404-3	Percentage of employees receiving regular performance and career development reviews	Page 115		Goal 5: Gender equality Goal 8: Decent work and economic growth
<b>Local Communities</b>				
<b>GRI 103 : Management Approach 2016</b>				
103-1	Explanation of the material topic and its Boundary	Page 101, 132		-
103-2	The management approach and its components	Page 101, 132		Goal 1: No poverty Goal 5: Gender equality Goal 8: Decent work and economic growth Goal 16: Peace, justice and strong institutions
103-3	Evaluation of the management approach	Page 101, 102, 132, 133, 134, 135,136,138, 137, 139, 140, 141		-
<b>GRI 413 : Local Communities 2016</b>				
413-1	Operations with local community engagement, impact assessments, and development programs	Page 101, 102, 103, 121, 132, 133, 136, 137,138		-
413-2	Operations with significant actual and potential negative impacts on local communities	Page 101, 102		Goal 1: No poverty Goal 2: Zero hunger

## Reader's Evaluation "Sustainability Report 2019"

### 1. Which group do you belong to ?

- Shareholder/Investor
- Customer
- Suppliers/Contractors
- Society/Community
- Others .....
- Employee/Executives Pruksa Holding
- Government Authority
- Press/Media
- Student

### 2. From where did you get the "Sustainability Report 2019" ?

- Annual General Meeting of The Shareholders (AGM)
- Website www.psh.co.th
- Stock Exchange of Thailand, www.set.or.th
- Others .....

### 3. With what purposes do you read the "Sustainability Report 2019" ?

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### 4. Satisfaction towards the "Sustainability Report 2019" ?

- |  |                                 |                                    |
|--|---------------------------------|------------------------------------|
| 4.1 Easy to understand                         | <input type="radio"/> Satisfied | <input type="radio"/> Dissatisfied |
| 4.2 The content covers your interested topics  | <input type="radio"/> Satisfied | <input type="radio"/> Dissatisfied |
| 4.3 Credibility of the report                  | <input type="radio"/> Satisfied | <input type="radio"/> Dissatisfied |
| 4.4 The report/presentation is nicely designed | <input type="radio"/> Satisfied | <input type="radio"/> Dissatisfied |
| 4.5 Overall satisfaction                       | <input type="radio"/> Satisfied | <input type="radio"/> Dissatisfied |

### 5. Please let us know your comments/feedbacks/suggestions for improving our next "Sustainability Report 2019" ?

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#### Kindly Submit The Form through Mail or Email at

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**Thank you very much for your kind participation.  
Your opinions and feedback would be a great help and support for  
our Sustainability Report improvement.**



PRUKSA



Sustainability Report  
2019



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This Report is Published by FSC Paper  
and Eco-friendly Inks.