

Report Information

Background and reasons

Corporate social responsibility was getting more importance when it came to business operation. Such idea interested every parties in Thailand and many companies became more caring of stakeholders in larger perimeter. Together with the increasing of business that conducted CSR activities for the society and also public – private collaboration project supported by the governmental sector in the previous year, the future business operations tend to be more undertaken with social responsibilities and developments. With this regard, one of the company’s core missions is “conducting business by considering the effect towards environment while continuously nurturing the responsibility of society and communities and encouraging public-interest activities”. The main 7 principles of CSR management are as follows;

1. Accountability Principle
2. Transparency Principle
3. Ethical Behavior Principle
4. Respect for stakeholder interests Principle
5. Respect for the Rule of Law Principle
6. Respect for international norms of behavior Principle
7. Respect for human rights Principle

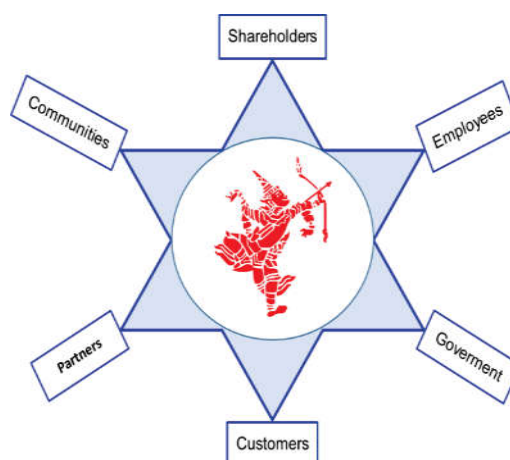
Reporting Direction

Reporting Scope

The Selection of social responsibility topic in this report is in line with ten categories of social responsibility directions issued by The Stock Exchange of Thailand. Anyway, there are two topics excluded in this report, the Good Governance, which the Securities and Exchange Commission’s requires separate disclosure under. "Corporate Governance" section in the Annual Report of 2016 and reports on Social and Environment which is reveals all social responsibilities issues in this report.

As mentioned, this report will be included of 8 topics as below:

1. Operating Business on Fair Basis
2. Anti-Corruption
3. Respect of Human Right
4. Fair Labor Treatment
5. Consumer Responsibility
6. Environment Preservation
7. Participation in Community and Social Developments
8. Innovations achieved through responsible business operations



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Role to Stakeholders

The Company emphasizes with the participation of every internal and external stakeholder group through many channels. Then, the Company brings their expectations to be analyzed and administered as follows;

| Stakeholder | Expectations | Strategy that responds to the expectations | Results from operating activities |
|----------------------|--|---|---|
| 1. shareholder | <ul style="list-style-type: none"> • Return on investment and growth of organization • Business operation with transparent accountability | <ul style="list-style-type: none"> • Right to attend shareholders' meetings in order to vote and freely express opinions including making inquiries and suggestions • Right to receive a fair return on investment • Commitment to business operations pursuant to good corporate governance principles and reliability • Sufficient, reliable and timely disclosure of significant information • Analysts and investors meet Saha group activities | <ul style="list-style-type: none"> • Ability to make regular dividend payment • Acquiring the "very good" assessment in part of corporate governance under the listed company by the 2017 Listed Companies Corporate Governance Survey • Receiving an assessment rating "outstanding" for AGM quality of listed companies by the Thai Investors Association for 2017 • Trusted by shareholders and investors |
| 2. Employees | <ul style="list-style-type: none"> • Proper welfare benefits and remunerations • Security and advancement • Knowledge and skill development • Better Quality of life | <ul style="list-style-type: none"> • Reconsidering welfare benefits and remunerations • Arranging the activities which create the best relationship in the organization • Enhancing the quality of lives of employees through the application of Happy Workplace Principle • Respect to human rights and fair labour treatment • Granting scholarships to the children of employees • Conduct personnel development programmes for all levels | <ul style="list-style-type: none"> • Receiving the award as the outstanding workplace in terms of Labour Relations and Welfare in 2017 for the fifth consecutive year • The Company was able to retain the personnel with competency and experience • Being able to accept employees who are scholarship recipients to intern or work upon completion of studies • Employees' participation in recreations held by the Company • Better quality of life of employees |
| 3. Government Sector | <ul style="list-style-type: none"> • Fair and transparent liaison • Consultancy and learning exchange • Tax privileges | <ul style="list-style-type: none"> • Submitting the complete report within the due date as per the law specifications • Tax and fee payment in accordance with the rate specified by law | <ul style="list-style-type: none"> • The Company conducted the business transparently and legally. • Ability to build good relationship with the government sector • Acquisition of tax privileges |

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| Stakeholder | Expectations | Strategy that responds to the expectations | Results from operating activities |
|----------------------|--|--|--|
| 4. Customers | <ul style="list-style-type: none"> • Satisfaction in the quality of products and services • Environmentally-friendly products | <ul style="list-style-type: none"> • ISO9001 Quality Management • Satisfaction assessment • Hotline for consumer protection division • After-sales services throughout the product's expiration date | <ul style="list-style-type: none"> • The long-lasting trust from customers in product manufacturing process • The customers' satisfaction in products and services was more than 90% according to 2017 customers' satisfaction survey in ISO9001. |
| 5. Business Partners | <ul style="list-style-type: none"> • Transparency of business operations • Consultancy and learning exchange • Business partners, service providers and distributors are , will apply corporate social responsibility in their companies. | <ul style="list-style-type: none"> • Assessment and selection criteria • The expansion of payment channel • Being able to financially clear by payment due date • Promoting social and environment responsibility policies • Promoting anti- corruption policies | <ul style="list-style-type: none"> • Supplier selection and evaluation were fair and transparent • Through mutual learning activities, Thanulux and business partners can mutually develop and source for alternative materials with lower cost and controlled quality. • Gaining trading partners who are responsible for social and environment |
| 6. Community | <ul style="list-style-type: none"> • Occupation Encouragement and income generation for members in communities • Social and environment sustainability around communities • Community activity sponsorship • Development of children and youth who are studying at the school in communities | <ul style="list-style-type: none"> • Implement an environmental management system standard (ISO14001) • Organize activities on Thai Children's day to the neighboring schools and communities. • Support necessities and finance to senior citizens' association • Gather the financial donation from the Company and neighboring communities to Wat Phra Bat Nam Phu foundation • Associate with surrounding communities | <ul style="list-style-type: none"> • Better surroundings around the Company • Being more intimate with communities • Better recognition from communities towards The Company • The ambience of children's learning room encouraged the learning and studying • Enhancing the relationship between the Company and schools |