



Sustainable Growth.

Sustainability Report 2021

Thai Stanley Electric Public Company Limited



Contents



1

Messages from the Chairman 4

2

About This Report 6

Reporting Guideline 6

Report Scope 6

Information Collections 6

General Information 7

3

Thai Stanley Business with Sustainability 8

Our Products 11

Business Value Chain and Management 12

Participation of Stakeholders 16



4

Economic Performance 18

Corporate Governance	18
Business Ethic and Anti-Corruption	19
Risk and Crisis Management	20
Tax Management	21
Business Innovation and Sustainable Society	22

5

Social Performance Social Performance 24

Labor Management and Employee Development	24
Safety , Occupational , Health and Work Environment	35
Social Responsibility Activities of Stanley Thailand Foundation	39

6

Environmental and Energy Conversation Operations 42

Environmental Management	42
Energy and Greenhouse Gas Management	48

7

Operation Summary Report 51

8

GRI Content Index 54



Message from the Chairman / Message to Stakeholders



Mr. Apichart Lee-issaranukul
Executive Chairman

2021 was another challenging year, as all of us have been affected by the Covid-19 pandemic for the second consecutive year. The virus has disrupted our way of life and the global economy including Thailand's. Our activities were conducted under strict disease control measures enforced for an extended period before they were eased at the end of the year.

At present, changes rapidly manifest in almost all dimensions, be it social, economic or environmental aspects. Amidst the changes, we continue to commit to ongoing and sustainable growth through an organizational structure that shall remain resiliently strong regardless of the situation.

Social Dimension



Thai Stanley takes part in the qualified labor program initiated by Department of Welfare and Labor Protection. Applying the principle of sufficiency economy, the program invites participating companies to turn the principle into extra welfare for staff beyond what's the laws require where existing resources that companies have such as empty land or area within the premise are used to generate this extra benefit. In this project, our employees take part in farming vegetables, which are sold for extra incomes to reduce their financial burdens.

During the pandemic, Thai Stanley in collaboration with the Stanley Thailand Foundation continued to contribute to the Thai society. Donation was made to build a semi-ICU while medical equipment was given to local hospitals to help infected patients. Money was donated to build a call center coordinating the Covid-19 situation in Pathum Thani Province. Simultaneously, the company continued to closely monitor the Covid-19 situation within our compound for best preventive practices for the safety of our employees and family members.



Economic Dimension



Our close monitoring of the Covid-19 situation did not primarily aim to prevent the virus only, but we also used the information to plan our production, issue purchase orders and stock inventories to minimize productivity impacts and to ensure timely delivery of final products to customers. We continued to re-adjust our work processes on a daily basis to enhance production efficiency and reduce waste and loss in the process.

Amidst the global automobile industry's transition to electric vehicles, aside from this daily adjustment, we start strengthening our system and focus on innovation to maintain competitiveness for effective handling of future changes.

Environmental Dimension



Thai Stanley prioritizes environmental impacts while managing production challenges. Our environmental policy conducted in 2021 included reducing CO2, minimizing the use of water and reducing waste by 2% from the 2019 base year. This was carried out through various activities such as saving electricity by turning instead to clean energy generated from solar rooftop, saving water by using water recycled from our wastewater system and reducing waste through effective waste separation and management.

Aside from the implementation of the environmental policy during the past year, in the area of product and production process improvement, we already started designing environmental-friendly products and underlined our responsibility to the global target for carbon neutrality by reducing the greenhouse gas to zero by 2050 (in accordance with national strategies). Here at Thai Stanley, we start formulating our strategy and directions for actual implementation.

This year is indeed another year of challenges and volatility. While the pandemic is likely to weaken its force and become an endemic, we continue to face a global crisis and an ongoing war that could impact the entire world in an unpredictable way. Yet despite difficult situations and operational restrictions, we continue to receive strong support within the group, from the Board of Directors, the management, the entire staff, local communities and all stakeholders.

“

I wish to express my heartfelt appreciation to everyone for your relentless support. As an automobile lighting manufacturer, we strive to produce quality products, respond to customer's needs and take care of the environment for the company to grow sustainably and to continue being an organization of excellence in Thailand.

”





About This Report



Reporting Guideline



Thai Stanley Electric Public Company Limited prepares this sustainability report to disclose information on Economic, Social and Environmental performances under the business philosophy to become a world-class fully integrated manufacturer of automotive lighting equipment while earnestly appreciate the value of all parties who support the Company.

The 2021 Sustainability Report is prepared using the sustainability assessment principles of the Stock Exchange of Thailand. And some parts use the Global Reporting Initiative (GRI) framework. The main content will report economic, social and environmental performance, for our shareholders, employees, customers and all related parties to understand and acknowledged the company's development determination with sustainability.

Report Scope



This report presents the information on policies and operating results of Thai Stanley Electric Public Company Limited from the period between 1 April 2021 - 31 March 2022. It does not cover the joint ventures the Company has established in Thailand and overseas. The main financial data is shown in 2021 Annual Report

Information Collection



Information to be disclosed in this report was collected by Administration Division from relevant departments such as Safety & Environment, Accounting & financial , CG Department.

The company has not reported the opinions of experts or stakeholder because the data is still being prepared and some steps have been stopped due to the COVID-19 virus disease situation.

General Information — **STANLEY**



Company Name

Thai Stanley Electric Public Company Limited



Name in the Stock Market

STANLY



Business

A completely integrated business of automotive lighting equipment manufacture and distribution



Date established

Company Registered

Date 30 May 1980

Public Company Registered

Date 26 July 1993



Location

29 / 3 Moo 1 Bangpoon-Rangsit Road Banklang Muang Pathumthani 12000



CEO

Mr.Koichi Nagano, President



Registered capital

383,125,000 Baht



Employees

3,003 person (Data as March 31, 2022)



Member





Thai Stanley Business with Sustainability



Thai Stanley Electric Public Company Limited is a manufacturer and distributor of automotive lighting products by establishing offices and manufacturing plants in Muang District Pathum Thani Province. Business operations since our inception in 1980 until the present for more than 40 years, the company is determined to be a manufacturer of products according to the needs of automotive customers, as well as to be an entrepreneur who is in harmony with the community and society and having a good relationship and progress together in a sustainable way.

Determining sustainability issues by importance

for sustainable business operations The Company has prepared a list of issues related to sustainability to connect with stakeholders. and assess the level of importance to draw conclusions and determine sustainability issues, as well as to set goals and procedures as follows:

Sustainability Issues	stakeholders	customer	Supplier	Employee	Shareholder	Government agency, Local organization, Various regulatory agencies	Local community
environmental issues							
1. Water management	●					●	●
2. Management of waste from production processes and solid waste	●					●	●
3. Greenhouse Gas Management	●						
4. Energy Management						●	
5. Pollution Management, Noise, Odor	●					●	●

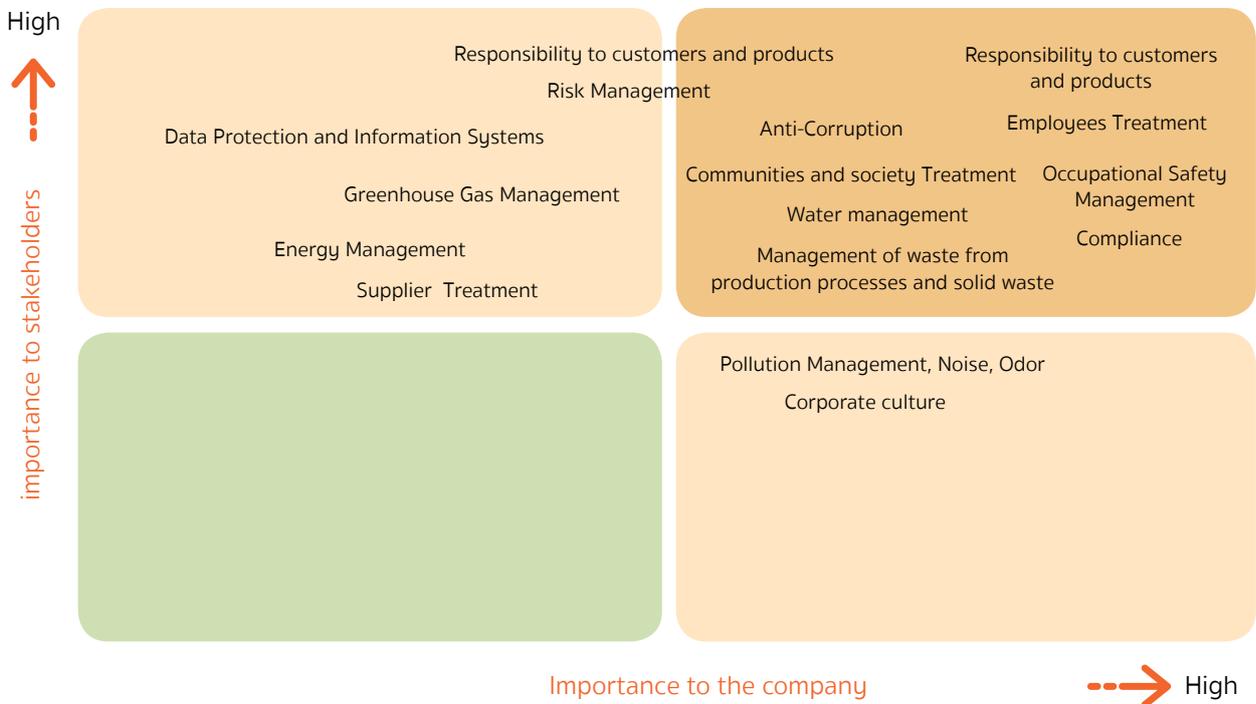
social issues

6. Employees Treatment	●	●	●	●
7. Occupational Safety Management	●	●	●	●
8. Communities and society Treatment		●	●	●
9. Corporate culture	●			

economic issues

10. Performance Management / Corporate Governance			●	
11. Anti-Corruption		●	●	●
12. Risk Management	●		●	●
13. Compliance			●	●
14. Responsibility to customers and products	●		●	
15. Supplier Management		●		
16. Data Protection and Information Systems	●			

Determining sustainability issues by importance



Sustainability Goals

According to the sustainability issues linked to stakeholder groups, the Company has formulated management policies and business goals of the Company and combine it with the SDG's goal of international sustainability, setting the sustainability goals and corresponding management services as follows:



Goal No. 6 :

Ensure availability and sustainable management of water and sanitation for all

Target

- Reduce the use of tap water
- Bring water into the system and circulate it.



Goal No. 7:

Ensure access to affordable, reliable, sustainable and modern energy for all

Target

Increase the use of renewable energy by increasing the installation area of Solar cell



Goal No. 13:

Take urgent action to combat climate change and its impacts

Target

- Reduce electricity consumption
- Reduce CO2 emissions
- Cultivate the concept of sustainable development , training for knowledge Environmental and energy conservation for employees at all levels.



Goal No. 10:

Reduce inequality within and among countries

Target

Implement the concept of STARS Plan and implement human resource measures to have the ability to think through the end of the process.

Our Products

Thai Stanley Electric Public Company Limited engages in the business of manufacturing and distributing complete automotive lighting equipment from product design to production and delivery to domestic and international automotive manufacturers. The company has a management policy that mainly meets customer satisfaction. There has been a development in product design in terms of beautiful appearance, using environmentally friendly raw materials and developed from being a lighting device to be a system of equipment that helps safety for drivers of all groups of vehicles as well as seriously improve production by using high-tech machinery and equipment to support the production of current automotive lamps and electric vehicles.

The Company's products are divided into 3 categories: automotive lamps; Automotive lamp sets and molds, with research and development from design and production that are consistent and related to all 3 products.

1 Automotive Bulb



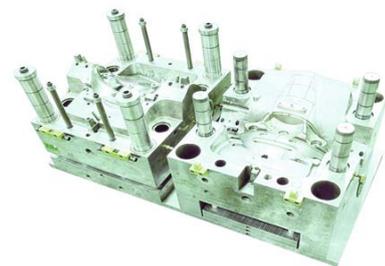
The company produces halogen automotive bulb such as T19, T25, which are produced to assemble into a set of automotive lamps and sold as a product in the replacement market and distributed to the Stanley group abroad. Currently, there is one factory with sales of approximately 3% of the total sales.

2 Automotive Equipment Lamp



Consisting of a set of Head Lamps, Rear combination Lamps and Signal Lamps, which are products that the company designs and manufactures specifically for each model of the vehicle mainly for the domestic automotive manufacturers and distribute to affiliated companies in foreign countries as well. Currently, there are five lamp factories with sales of approximately 96% of total sales.

3 Die & Mold



The company produces molds for use in all kinds of injection molding applications. It is produced specifically for each model of lamp. At present, there is one mold factory, most of which are produced to be sent to the lamp factory and there are some sales to the Stanley group with sales of approximately 1% of total sales.

Business Value Chain and Management



As the nature of the business of manufacturing automotive lighting equipment for distribution to automotive manufacturers, there are concern person involved in every step. It is considered the company's business value chain that must give importance to every group. The company has established a specific department to take care of and to sets a policy to operate on the purchase – sale of goods and assets as a guideline. There are management and operations for each group divided by activities as follows:



Main Activity

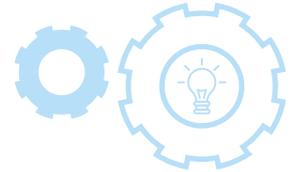
1. Import of production inputs

The main stakeholders are suppliers of raw materials and various factors to be used to produce the products of the company. There are both domestic and export and the Stanley group companies. The company has arranged the Purchasing Department to be the unit responsible for liaising with raw material suppliers mainly. The company has a policy to strictly comply with agreements, contracts with suppliers by adhering to conducting business with honesty both for oneself and others under relevant laws and regulations. The important operations are as follows:



Supplier selection

The Purchasing Department is responsible for selecting suppliers based on the qualifications required by the Executive Board. According to purchasing policy that consider cover to company documents, performance, environmental, employee practical and human rights. At present, the company constantly selects new suppliers for price competition, especially raw materials, and reduce the risk of relying on one supplier too much



Supplier Development

The company has extended production improvements to suppliers as well. The company adheres to the policy of quality assurance, by establishing the principle of not buying, not producing, or passing on defect. Therefore, the development of quality to the supplier is beneficial to both the supplier to increase the competitiveness and the company to get quality raw materials on time delivery and the cost is not too high.



The project has been carried on until present, divided into 2 activities as follows:

1 Supplier SNAP

The company extends productivity improvement activity to suppliers and sends SNAP (Stanley New Approach for higher Productivities) team together with purchasing officer to the supplier company in order to educate and conduct productivity improvement activity in an periodical manner during 6 month period.

2 Supplier Improvement Project

The company will choose the suppliers to help them to identify problems and give advices on manufacturing efficiency.

The company also provides customer support and encourage vendors to be certified to international standards as quality assessment to provide a quality of supply chain.

Supplier Meeting The Company arrange for Meeting with business partner is also held with the purpose to keep partner updated about the company movement and to hear opinions and confer QCD award to the suppliers who delivered the good products and being punctual.

For construction contractor, a separate meeting will be held by occupational health and safety officer and invite the staff who is responsible in the field of repairing, construction, or expansion of the company properties to the meeting in order to ensure that safety measure is extended to the involved parties.

2. Production practice

The main stakeholders are company employees , started with the design presentation to customers to be selected as a product manufacturer production planning, production, quality inspection until delivery to customers. The company aims to create a production that is suitable and consistent with the orders from the customers. The production process is in accordance with the standards set forth by both the company and the international standards that the company has received, such as the ISO/TS 16949 standard (Quality Management System for the Automotive Industry). Increase work skills for employees on a regular basis. Each step of the performance is monitored by the management. Improvements to improve productivity with SNAP (Stanley New Approach for higher Productivity)

3. Distribution/Outbound Logistics

The main stakeholders are the company’s freight forwarders. At present, the transport system mainly used by transport operators is mainly used. There is a department to take care of the delivery of each factory to coordinate primarily by focusing on delivery to meet the needs of customers



4. Marketing and sales

The main related parties are customers. The Company’s direct customers are mainly automobile manufacturers in Thailand, and indirect customers are users of vehicles with the Company’s products included. The Company has customer relationship management. The Company has established policies regarding customers as follows:



Management

To meet customer satisfaction first and foremost by improving standards in key areas, including quality, cost, delivery, development, safety, and human relation through the plan – do – check cycle.



Quality

To develop a quality assurance system that meets international standards and to deliver products with confidence in gaining customer satisfaction and trust.

Actions that matter to customers In addition to producing to deliver products to customers The company also communicates, coordinates, attends meetings and participates in activities with customers regularly from various operations lead to being evaluated by customers The company is assessed annually by customers in terms of quality, price, delivery and other aspects. In general, morale rewards are also offered. The company continues to be trusted and receives awards from customers regularly. In 2021, the company received awards from customers as follows



1

Awards from TOYOTA DAIHATSU ENGINEERING & MANUFACTURING COMPANY LIMITED are 3 awards as follows:

- 2021 Outstanding Performance Supplier for Early Achievement of 2025 target in Environment (CO2 Reduction) Award (22 February 2022)
- 2021 Outstanding Performance Supplier in VA Award (22 February 2022)
- Runner up “Cost Improvement” Award (22 February 2022)

2

Award from NISSAN MOTOR THAILAND COMPANY LIMITED as Global Quality Award



5. After sales service

The key stakeholders are customers and users of the company's products. The company has a Quality Assurance Department responsible for product quality assurance. Giving suggestions about products, giving advice and receive complaints from both the car manufacturer's customers and the car users who have the company's products in order to be satisfied with the quality of products and services



Support activities

From the main activities that focus on various operations for quality products that mainly meet the needs of customers, The company has also taken other actions to support activities including.

The company has also issued policies and procedures for controlling customer data to avoid various risks that can be properly applied to customer data. The Company considered the customers' information that is the most important asset.

The Company has adopted the competition policy and guidelines that promote fair competitive practices and as normal business.

Product Design and New Technology Exhibition, because each vehicle or motorcycle model uses specific automotive lamp, the Company's research & development and sale teams work with individual customers to design products that truly meet the needs of each customer.

Furthermore, Stanley Group has organized a exhibition to present automotive lamps designed by the Group's research & development teams and other products to customers.



Participation of Stakeholders

Thai Stanley Electric Public Company Limited underlines the priority and simultaneously acknowledges the rights of each group of stakeholders. The policy governing the rights of stakeholders is further described in the corporate governance policy and the Code of Conduct of directors and employees topic. Stakeholders may contact us or file a grievance via our website at companysecretary@thaistanley.com where an agency and specific procedures are arranged to handle the matter.

The following were connected transactions between the Company and stakeholders and how they were managed:



 companysecretary@thaistanley.com

Stakeholders	Participation channels	Issues of Interest	The Company's action
<p>Customers</p> 	<ul style="list-style-type: none"> • Annual meeting • Information sessions • Policies relating to activities 	<ul style="list-style-type: none"> • Production capacity • Product quality • Delivery • Compliance with customer's policies and various laws • Business Continuity Plan (BCP) • Confidentiality new product 	<ul style="list-style-type: none"> • Requiring the Satellite Division to exclusively look after each client • Attending customers' Meetings
<p>Supplier</p> 	<ul style="list-style-type: none"> • Supplier meeting • Informing sessions • Policies relating to activities 	<ul style="list-style-type: none"> • Purchasing order target/plan • Related policies and practices affecting purchasing orders 	<ul style="list-style-type: none"> • Requiring the Purchasing Department to look after groups of suppliers based on what they order (i.e. raw materials and others) • Organizing annual meeting • Providing management advices regarding production and other criteria.

Stakeholders	Participation channels	Issues of Interest	The Company's action
--------------	------------------------	--------------------	----------------------

<p>Employees</p> 	<ul style="list-style-type: none"> • Electing/appointing a representative to sit in the Welfare and other committees • Communicating policies and other information • Appointing employee representatives to attend meetings with other Departments • Providing contact and grievance channels both within Thai Stanley and representative companies 	<ul style="list-style-type: none"> • Policies, goals, business directions • Remunerations, welfare and other staff benefits • Capacity building • Work environment, Health, Safety, Security and Environment (HSSE) • Facilities, rest space • Other health promotion and relaxation activities 	<ul style="list-style-type: none"> • Have management representatives attend meeting with every Department • Representing employees through an election process in the Welfare Committee • Appointing employees at various subcommittees • Organizing activities and providing welfare to employees annually • Arranging necessary facilities such as library and fitness center • Providing contacting/ grievance Channels
<p>Shareholders</p> 	<ul style="list-style-type: none"> • Annual Shareholders' Meeting (AGM) • Investors Relations (IR) • Annual Report and other reports • Company website 	<ul style="list-style-type: none"> • Performance and business Goals • Dividend payment policy and other management policies • Code of Conduct and anti-corruption practices • Qualifications of Board of Directors 	<ul style="list-style-type: none"> • IR acting as a point of contact for information • Organizing an AGM • Disclosing information through various channels such as website, annual report, SD report and MD&A • Organizing company visit (as appropriate)
<p>Public agencies, local administration organizations, regulatory agencies</p> 	<ul style="list-style-type: none"> • Attending projects • Attending meetings • Paying courtesy visits 	<ul style="list-style-type: none"> • Legal compliance • Public Private Participation(PPP) • Management of impacts against communities and the society 	<ul style="list-style-type: none"> • Collaboration by attending meetings and activities • Arranging company visit (as appropriate) • Supporting activities
<p>Local communities</p> 	<ul style="list-style-type: none"> • Attending activities at various Projects • Attending meetings • Paying courtesy visits • Providing grievance/ complaint channels 	<ul style="list-style-type: none"> • Managing impacts against Communities • Promoting or assisting communities 	<ul style="list-style-type: none"> • Coordinating with local Representatives • Supporting or attending local activities • Inviting local representatives to attend our activities



Economic Performance



The company has a policy to manage the business to be effective and corporate governance policies that give priority to operations with fairness, transparency, and taking into account the impact of business operations on the entire supply chain

Corporate Governance

From the Corporate Governance (CG) Policy , The company provides guidelines for business ethics, including the code of conduct for directors and employees to be considered as a guideline. The Board of Directors and executives have regularly reviewed and adjusted to suit the situation.

For the directors The Company clearly and appropriately establish the structure, roles, duties and responsibilities of the Board of Directors and executives and the Board of Directors has to evaluate their own performance.

In management, the company produces, maintains and reviews the control system in terms of financial status, operations, and oversight of various operations. To be effective and legitimate. As well as risk management and priorities for early warning signs and irregular transactions

Information disclosure , the Company concern into account the accuracy, completeness, transparency and timeliness for shareholders and all groups of stakeholders to receive information equally. The company has disclosed the principles and practices of corporate governance set out by the Stock Exchange of Thailand in the annual report.

The company participated in the evaluation survey project of the Corporate Governance Report of Thai Listed Company : CGR) on a yearly basis. In 2021, being evaluated at a level - Very Good



Business Ethics and Anti-Corruption

The Company has set Anti-corruption Policy considered the company's Code of Conduct stating that "The Board of Directors, executives, staff members, and other related parties are strictly prohibited to get involved in any form of corruption including offering, promising, soliciting, demanding, and giving or accepting bribes as well as request others to accept those corrupted practices on their behalf, related to the company's business operations".

For the review and evaluation of this requirement, each department manager is directly responsible for assessing risks in various areas prior to informing the Risk Management Committee at least once a year. Similarly, the Office of Internal Audit will be required to annually evaluate all corruption-related issues before proposing them to the Audit Committee and the Board of Directors, respectively.

For the penalty of misdemeanor, the company will consider the termination of employment contract without compensation payment. However, over the past years, there was no risk of corruption found.



The company provides training to educate employees and stakeholders about the anti-corruption policy. Including the requirements for reporting business suggestions for providing clues about corruption, be illegal, be wrong from the code of conduct of Stanley group both the organization and the individual, which can be informed at Company Secretary Office by the telephone, fax, e-mail and in the year 2021 has added a channel to notify via QR Code and the secretariat will collect evidence data to propose to the Business Ethics Committee. The company discloses the complete whistleblowing channel on the company's website.



[www.thaistanley.com/about company/corporate governance policy/whistleblowing regarding company ethics system](http://www.thaistanley.com/about-company/corporate-governance-policy/whistleblowing-regarding-company-ethics-system)

Risk and Crisis Management

The company operates in risk management by establishing Risk management and control policy is that the company must control and reduce the impact of unexpected events and maintain the objectives of sustainable business operations including controlling the practice correctly comply with the law and internationally certified standards.

The company has established requirements for management and risk control by defining the main objectives practice guidelines structure of risk management and control system, roles and responsibilities of those involved in the operation critical assessment and incident response, preparation of emergency response plans at the company level and the role of management in emergency situations and the preparation of relevant reports

Those involved in the risk management and control system are as follows:

1 The Executive Board (EBM)

adopts best practices for risk management and control to be part of the strategic management control policy formulation and management, according to the internal objectives of the company

1

2 The Risk Management Committee (RM Committee)

is responsible for screening factors, likelihood and impact of risks on the implementation of strategic management policies compliance with the law or various standards related and have a severe impact on the company.

2

3 Corporate Governance / Risk Management and Control (RMC)

Section is responsible for controlling Review and evaluate performance the management risk management plan exists in the operations of the management.

3

4 Management

is responsible for evaluating and reporting risks in their responsibilities. and encourage and encourage employees in the department to have awareness and awareness of the importance of risk management.

4

5 The Internal Audit Section

is responsible for confirming that the internal control system is suitable for management response and risk control, coordinate with various departments to communicate and monitor management efficiency and report the operating results to the Audit Committee.

5



Under the current environment, the Company has improved its risk management practices, review and approval of risk management and control requirements and risk management manual as a framework for assessing and managing risks. There are four types of risk that must be considered: strategic, operational, financial, and regulatory compliance.

In the event of a crisis The Risk Management Committee will consider establishing a Business Continuity Plan (BCP), which serves as a centralized response to crises so that the business can continue with the following structure: The Director is the President, the Deputy Director is the Vice President, and the member is the Executive Board and the Executives from each department and persons appointed by the Director as necessary and the BCP will cooperate with the Risk Management Committee of Stanley Electric Co., Ltd., Japan and proceed to be able to continue the business. In this regard the company has scheduled exercises to review operations in various crises annually.

In 2021, due to the COVID-19 epidemic situation, the company established the BCP to deal with the situation.



Tax Management



Operating profit before tax
1,890,202,414 Baht



Income tax payment
315,013,185 Baht



The company has established the principles of tax practice in the accounting and finance regulations, with the main rules for filing tax payments within the specified period in accordance with various Acts, tax-related and take full advantage of tax laws Prevent overpayment due to miscalculation and try to pay taxes as necessary.

The Accounting and Finance Manager is responsible for tax practices to ensure that it meets these principle. To pay tax, calculation forms must be submitted after approval from authorizing persons. In case of tax dispute, advice must be sought from the Executive Board

In the previous year, the company had operating profit before tax of 1,890,202,414 Baht, paid income tax 315,013,185 Baht that tax charged rate 20%, the company also received tax benefits from the investment promotion certificate (BOI).

Business Innovation and Sustainable Society from Thai Stanley

Thai Stanley Group strives to create values to humanity and the society at large. We practically open up to new creativity or business innovations. We have pursued our goals through an organization management system and by managing our production as follows.



1. Satellite Division

The Satellite Unit has been established to handle marketing strategies and nurture customer relationship in order to cultivate real partnership and expand our share in the regional automobile marketplace. This Satellite Unit is collaborating with the Stanley Group's Satellite Unit with a goal to become Thailand's No. 1 lighting manufacturer.

In addition, we have transformed our self from being a producer of automobile lighting equipment to becoming a manufacturer of a lighting system equipped with technology and function for the Stanley Group that is truly safe for automobile users in all regions in a sustainable way.

2. Production Management by SNAP

The SNAP (Stanley New Approach for Higher Productivity) program has been designed to encourage improvement in every dimension while the evaluation is done through constructive cost reductions. The Stanley Group has implemented SNAP as part of our management strategy for quite some time that it has become a fabric of our global-level corporate culture.

SNAP is set to become our major tool for employees to improve our work process throughout the organization. Office of Productivity Innovation has been set up to support the implementation of SNAP. The Office looks after SNAP-related internal activities as well as those implemented by other companies within the Stanley Group

The company is committed to SNAP improvement activities of increasing complexity with the following main activities



- 1 Shortening Lead Time from raw material procurement to production process and delivery where the Material and Information Flow Chart (MIFC) was introduced as a tool to analyze circumstances and set targets for improvement. This applied specifically to the improvement of a delivery process of products among companies within the group.
- 2 Minimizing the size of production lot by improving preparation time for a production process so that it reflected production costs in terms of time spent and inventory value.
- 3 To enhance the knowledge of employees by improving the SNAP training course within the company. In the past year, the SNAP JUNIOR PLAYER course was developed as a basic course for new employees and operational staff and upgrade the SNAP PLAYER course by improving it as a course for leaders in production cost improvement. Building personnel to have knowledge and tools to improve that will be applied in accordance with the improvement goals of reducing lead time and reducing stock. In addition, the development of defect management and control systems in the production process has created a database system for quality improvement (defect reduction) resulting in learning and expanding knowledge on waste management to other relevant agencies widely.

3. QCC Activity (Quality Control Cycle)

Thai Stanley encourages organization-wide employees to conduct the Quality Control Cycle (QCC) activities where staff form smaller groups to brainstorm solutions to problems, enhance production efficiency and develop work process before presenting to the company. Their activities are then presented in a competition where winners will receive awards to encourage innovative discovery. If any QCC activity effectively contributes to customer product improvement, we also submit it to a customer-level competition.

The QCC Committee has also been established to support and provide knowledge as well as to evaluate and rate these activities to ensure that the company's objectives are achieved.

In 2021, the policy was to enable staff of all departments to take part in the QCC activity based on our organization structure. In addition, each group, which consisted of 10 members, was required to come up with an activity at the section level. There were 66 groups registered for this activity, resulting in 660 staff taking part in the activity. With each group conducting one activity, the project was able to achieve 100% of its target. Activity topics meanwhile were as follows.

Improvement to reduce claims	4 groups
Improvement to reduce defect during the process	23 groups
Improvement to reduce work time	31 groups
Improvement to cut costs	8 groups



660 staff taking part in the activity



Project was able to achieve 100%



Activities of all 66 groups were presented at the competition held at the department level. Of this, 11 groups went into the next round based on the 2021 quota while five went to compete at the company level. Yet due to Covid-19, customer companies delayed the event in which a competition for better performance would be held. The company did not yet submit group activities to the event.

The QCC activity also included training to enhance skills and provide analysis tools and how to apply the QCC tools for further application by group members.

4. Activity THAI STANLEY PRIZE AND CHALLENGE PRIZE AWARD

In any department of which activity can be further expanded to improve work performance or to materially affect costs in a tangible way, can submit that activity to the Thai Stanley Prize and Challenge Prize Award held annually. In this regards, a Thai Stanley Prize and Challenge Prize Award Committee has been set up by the company where committee members come from department managers to select projects or activities in order to submit to the Executive Board for a final decision. Projects or activities that win this award will receive monetary prizes in return. And if such projects or activities meet the Stanley Group standards, the company will submit them for competition at the group level.



Social activities



The Stanley Group's business philosophy in addition to the development of being a product manufacturer, The Company focuses and values 4 groups who support the company are Customers, Suppliers, Employees and Shareholders. Currently, we also includes groups of stakeholders such as local communities and government agencies and others with awareness of participation in society. The operations in various fields are as follows:



1. Labor management and HR development

Year 2021, the company has a policy to manage personnel. is the realization of the STARS Plan* concept and personnel measures. Build people who are capable of thinking through the process. by defining personnel guidelines and taking action on the part of Organizational Development / Hiring Strategy with appropriately and recruiting experienced specialists in specific fields to make the concept of the STARS Plan a reality

(* STARS Plan is the Stanley Group's HR management system, which consists of six sub-systems are chain of command, positions, job rotation, performance assessment, wages and remunerations and, finally, capacity building. The STARS Plan has been created under the principles of fairness, recognition and rationality)

Labor Management

The Company realizing in the value of our human resources by has established a labor management system to provide fair protection and treatment to our employees because we believe that this will result in higher quality of life and better productivity. The company has set a policy for Thai labor standards as a guideline for compliance with the requirements of labor laws including other regulations related.



The management convenes annually to review the adequacy and suitability of this policy. In addition, the Thai labor standard will apply not only internally to the entire organization but also to suppliers and subcontractors.

The company take the Certified of Thai Labor Standard (TLS 8001-2020), the complete version from the Ministry of Labor Which has been assessed by the Ministry of Labor annually.

The Company has issued the Labor Management Manual, considered an ultimate document of the labor management system according to the Thai Labor Standards explained below:



Human rights issues

Child Labor

The Company will never approve, support, or get involved in employing a child labor whose age is under 15 years old. Also, the company has never encouraged the use of child labor in any business activity that may cause an impact on occupational health and safety.

Pregnancy

Female employees who are pregnant are not allowed to work in jobs that may jeopardize their health as designated by the laws. Pregnant employees will be offered work in an environment that will not threaten their wellbeing and pregnancy. There won't be any termination, or reduction of job responsibility, rights or benefits as a result of the pregnancy. The company has arranged a breastfeeding area as welfare for female staffers who return to work after giving birth to their babies.

Issues of inequality and discrimination

Discrimination

The Company has expressed its intention not to support any discrimination action on employment, payment of wages and other financial supports, social welfares, training and development opportunities, promotion, employment termination, and retirement, which are due to the difference of nationality, race, religion, language, age, gender, marital status, sexual orientation, disability, HIV infection, preference of a political party, or personal concept and idea.

The company will never hinder, interfere, or conduct any action deemed to have affected the employees' rights and their routine practices without causing any damage to the company.



Handicap labor market

Hiring of the Disabled

The company fully supports the Act to Promote and Improve Life Quality of the Disabled, B.E 2550 (2007) Section 33 and Section 35 where three disabled persons have been recruited to work at various departments.

In addition, The company also offers income-generating opportunities for the disabled by allowing 28 disabled persons to sell goods in the company on a monthly basis under the market of the disabled and caregivers of the disabled project (Section 35).

Freedom of Business Association and Negotiation

The Company provides its employees with the right to join various committees in the company and fully possess the right of negotiation, selection, or election of corporate representatives. The company will never hinder or interfere with the exercise of employees' rights.

The company has cautiously evaluated this issue with its suppliers to promote the abolition of human rights in the society.

At present, the company has 10 representatives of employees elected to be the Welfare Committee and 16 of the Occupational Safety, Health and Environment Committee, with elections every 2 years. The company provides measures to facilitate the employees' representatives in performing various duties. Equal to other employees without being harassed, transferred, terminated, or practiced that is not fair

Since the establishment, The Company has never been involved in any labor dispute and there is no labor union existing in the company



Welfare and enhancement of quality of life,

The Company strives to improve quality of life of our staff to reflect the current economic condition. We increase salary and welfare annually. Adequate and appropriate welfare such as

- Hygienic facilities are clean and sanitary toilets, clean water, first aid necessities, daily healthcare service offered by doctor and a professional nurse available throughout office hours, clean canteen and healthy and inexpensive food are provided and has been assessed by the Pathum Thani Provincial Public Health Office by receiving the Safety Canteen Award.
- Supporting knowledge and interests outside working hours, including library and internet (Library Café), fitness room, yoga room, etc.

Other benefits include income tax issuance, travel allowance, employee uniform (4 sets for the first year, 2 sets for the next year) and laundry service, birthday gifts and new year gifts, food allowance in case of overtime work and when working outside the company, Medical expenses that cover employees' families, including parents, spouses and children, etc. and from the COVID-19 situation that affects a lot of household income The company provides special loan benefits to help alleviate problems and reduce informal debt for employees' families.

And for organizing activities within the company in the field of health promotion, such as organizing internal sports competitions color sports activities Recreational activities include organizing tourism for each agency. Due to the COVID-19 situation, activities must be canceled. As for the various festival activities to promote the good society and culture of Thailand, such as the arrangement of bathing Buddha images during the Songkran festival. Candle Procession, Dry food offering activity New Year's Ceremony, The company can still operate in some activities.



Kathin ceremony Wat Chinwararam Worawihan, Pathum Thani Province



New Year's Eve Merit Making Activities and celebrates the 40th anniversary



By the principle of sufficiency economy



In December 2021, the company initiated the Thai Stanley Farm Project inspired by the principle of sufficiency economy as part of our welfare to enhance the living quality of our employees and to help reduce living expenses as the costs of living keep rising. A land behind the Lamp 7 Factory has been allocated as a learning center of the environment and energy conservation as well as an area for vegetable gardening. Staff interested in planting and tending the garden can collaborate in cultivating and taking care of vegetable plots by spending time after work, whenever they are free or during weekends. Final products can be consumed or sold. This project not only enhances collaboration but also nurtures team spirit and harmony within the organization.

During Phase 1 of this project, Thai Stanley supported budgets for seeds, tools and other farming equipment as well as training courses offering farming and fertilizer-making knowledge for employees signing in to join the program and those about to retire. The goal is to enable staff to use what they learn after retirement or to later train the next class of other interested employees. Regarding final products, aside from consumption and sales, healthy seeds were selected for further use and distribution to employees.

Promoting the Use of Technology,

We have produced a QR Code as an option for employees who use smart phones to download employee's manuals, training manuals and other types of manual in a more convenient manner. In addition, corporate work forms are accessible through the intranet via a program. This includes, for example, the Human Resource Management System (HRMS), employees can apply for leave according to the rights of the employee by allowing supervisors to approve through the system, reservation for the use of the meeting room in the company, the reservation of the use of the company car, etc.

The company has implemented the cashless project since 2017 in which we encourage employees to use less cash while making payments by relying more on Siam Commercial Bank's mobile application to pay, for example, food in the company's canteen and return of advance to our Finance & Accounting Department. The idea is to reduce the use of cash, increase transaction speed and promote sanitation by having vendors contact fewer banknotes and coins and foster technology that will help the country transiting into the Thailand 4.0 digital ages

Discipline and punishment

The company determines the principle of disciplinary action in accordance with the law on labor protection to be paid to employees and will not perform or encourage the use of physical, mental or compulsive punishment methods intimidate. And set preventive measures and solving problems to prevent employees being trespassed. Harassment or sexual harassment expressed by words, gestures, physical contact or by other methods

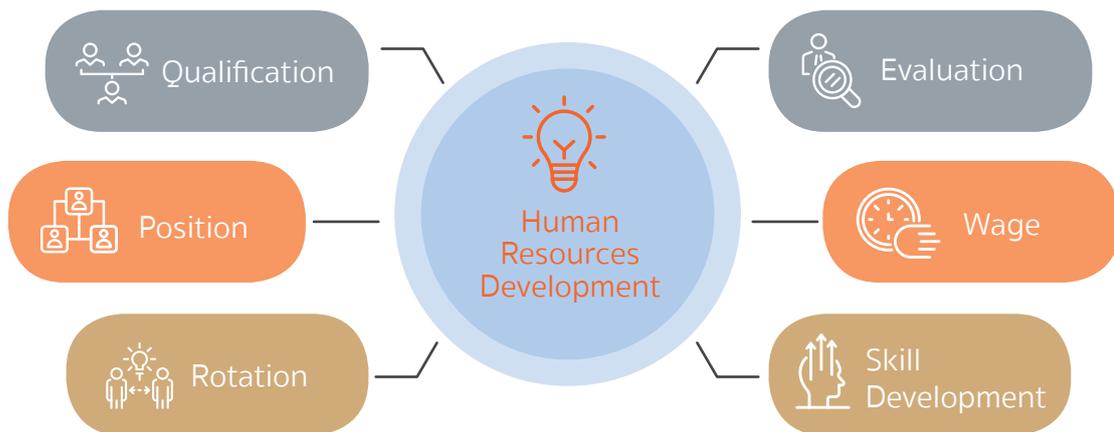
In addition to carrying out internal labor activities in the company, for outside the company has always participated in labor activities with government agencies.

In November 2021, the Company received the Outstanding Workplace Award for Labor Relations & Welfares from the Ministry of Labor for the 16th consecutive year.



Human Resources Development

The company has implemented the STARs Plan as a principal system to develop our human resources. The plan covers the capacity-building process and career advancement programs, which can be specified into six systems as follows.



1. Qualification, We determine job qualifications to reflect capacity levels of employees when it comes to their performances. The qualification is also used to determine fair and suitable remunerations.
2. Position, About duties, roles, authority and responsibility in each position of each department are clearly described. Promotion and qualification system are evaluated based on the criteria set by the Promotion Committee.
3. Rotation, this refers to the practice of rotating employees to work at another department to handle different types of work in order to create and enhance their capacity, which will finally allow them to be promoted.
4. Evaluation, The evaluation system determines criteria for evaluation, which will be used to support the increase of salary, awarding bonuses, promotion and career advancement. The system also reflects strengths and weaknesses of employees for further development. The evaluation criteria are based on the principles of fairness, suitability and acceptability.

5. Wage, The wage structure consists of base salary, competency allowance, title/position allowance and other assistance benefits such as overtime pay, overtime holiday pay, food stipend, attendance allowance and transportation and shift allowance. There will be an annual salary increase, which will be based on the following indexes: the government's increase of minimum wage, an inflation rate that indicates changes of the cost of living, and the industrial situation.
6. Skill Development, We strive through our policy to enhance employees' skill where minimum training hours for each level or position of employees are pre-determined.

Internal Training



57 Course
Decrease 7%
from the previous year



Trainee 2,990 person,
Increase 14%
from the previous year



Training hour average
25.47 hours per person,
Increase 28%
from the previous year

External Training



External Training
total 135 person, increase
85%
from the previous year



Online Seminar - Creating a Culture of Engagement Course

The company will review training courses suitable for employees, namely, strategic training, training based on department work and self-development. The training can be internally and externally. Employees may be sent to train and work overseas with companies within the group.

Labor policy for the year 2021, The Company sets personnel development policy; with a target all employees must take training at least one course on knowledge or skills in the job

In 2021, the company organized 57 internal training courses, a decrease of 7%* from the previous year. A total of 2,990 employees attended the training, an increase of 14% from the previous year. The average number of training hours is 25.47 hours per person, an increase of 28%* from the previous year. And there are 135 outside training, an increase of 85% from the previous year * Examples of training courses include the Behavioral Based Performance Management System (PMS), Implementing Advanced Leadership Coaching Process for Organizational Excellence. (Advance Coaching), Training program to slow down unemployment in the automotive industry (Industry 4.0) And for safety from the situation of COVID-19, the company refrains from sending employees to train abroad.

* Due to the COVID-19 pandemic situation, the company canceled some training programs during the year 2021. and converted to online seminars, about 80% of all seminar.

The Human Resources Department currently implements the Employee Training program to collect training information of all staff. Supervisors will evaluate employee's performance after they have attended training in conjunction with the annual employee performance assessment.



Thai Stanley Power Up

The Company conducting a HR reform project called Thai Stanley Power Up to accommodate our growth and the highest customer needs. Starting with the Automotive Lamp Division (LE's Reform Model), the project duration is 4 years, from 2018 - 2021, divided into 6 activities and the project ended in March 2022. The overall performance was able to meet the target. Although some activities have obstacles impacted by Covid 19, but with strict P-D-C-A (Plan-Do-Check-Action) implementation and received support from the management as well as cooperation from relevant department as well .The results of the project enable employees at each level to systematically develop a high level of competence in their work , including the continuous improvement of the production process, the defect in the production process is continually reduced as well. For the results of the 6 activities as follows:

1 J-CoM (Job Competency Management)

This is an activity for assessing the ability of personnel in each role. To look for weaknesses and strengths leading to continuous development in the PDCA model. Roles and duties are defined in 6 levels: Executive, Manager, Controller, Auditor, Experienced practitioners and Practitioners. The nature of the work of the LE Division can be divided into 5 types: New Model, Production, Quality, Engineering, Planning

In 2021, there are 1,326 J-CoM participants representing 77% of the LAMP Division, with each employee planning a 5-year upgrade in advance. The proficiency level is broken down into four grades, ABCD. Afterward, discuss with your supervisor for guidance on the guidelines. At the end of the year there will be an actual evaluation. After that, all the data will be recorded in the J-CoM Software Application, processing the report summary.

Since 2021, the J-CoM system has been extended to work with HR, QA, PU, DM departments and in the future it will be extended to the remaining departments

2 Smart Manager Course

This is a course to build people to grow into future managers, with have skills in finding organizational problems and formulating organizational improvement measures. There are 3 important parts:

- 1.) Basic Knowledge provides basic knowledge necessary for management
- 2.) Smart Management provides 4 key theoretical knowledge, namely TQM, Management study, Team leader, Sensibility
- 3.) Practice Presentation is a learning-based approach. In 2019 and 2021 to training 2 groups, with the target group of learners being employees at DDM, CS or comparable level. There were 17 students who completed the course. The style of study was to study theory in the classroom and study on the job site.

After completing the study, we surveyed the results of using the knowledge gained and found that the majority of the students applied the knowledge learned to the management within the department and to the 3 Loss Improvement activities and with the personnel within the department. Future progression depends on each annual division's policy.

3 Expert Course

This is a course for building personnel to have a variety of knowledge from New model to Mass Production. There are 3 important parts:

- 1.) Mini-Expert is a preparation of the necessary basic knowledge
- 2.) Expert (New Model) is to give Know about the preparation work for new products
- 3.) Expert (Mass Production) is to educate about production process control and quality control when entering mass production. The learning style will select people with high knowledge and experience to provide knowledge and pass on experiences to learners in the style of seniors and juniors. The target group of learners is GL, UL or equivalent level. Classes are organized in 1 class. In 2019 - 2020, there are 11 Expert course graduates. After completing the course, there will be follow-up. And from the survey of the results of the applied knowledge, it was found that most of them applied the learned knowledge to the preparation for the new model., Apply for 3 Loss Improvement activities and educate personnel within the department. Future progression depends on each annual division's policy.

4 Survey

- Feedback
- Improve

IIUU 270° 360°

This is a 360-degree survey of opinions on individual job duties and the practice of the company's philosophy, supporting the realization of the STARS Plan Policy in 2021. The survey was conducted in 2021 with a group of 132 management-level employees from DEGM, DM, DDM, CS, GL. The scores were: 5 = Excellent, 4 = Good, 3 = Standardized, 2 = Needs Improvement, 1. = should be corrected For 2021, the target score is 3.3. The survey results showed that DM, DDM employees scored an average of 3.5, CS were 3.3 averaged, and GL were 3.2. Overall, the top rated topics were awareness of one's role and customer focus. The topics with low scores were unclear in work and self-improvement. Consequently, the low-scoring topics were developed with three new activities: 1) linking management's goals with actual performance control activities; 2) PDCA reporting on actual results; and 3.) Self-development with 1 person, 1 subject 360 degree surveys are conducted every 2-3 years to study survey data and make continuous improvements.

5 Quality

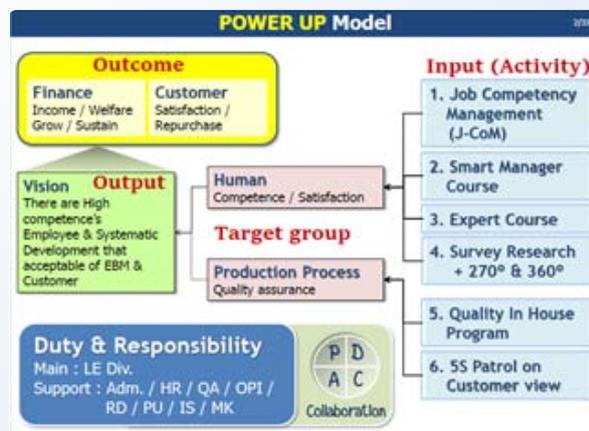
In House Program

This is an activity that works in the form of a committee named 3 Loss Improvement Committee whose mission is to review, analyze, correct and improve problems in the production process. Perform an analysis to determine the cause of the problem and escape. Leading to corrections, improvements and expansions to prevent recurrence continually. In 2019, QIH Software Application has been used to help process problem data in the production process. This makes troubleshooting decisions easier and faster. Each month, a manager and team-level held the meeting to review the effectiveness and efficiency of PDCA work. In addition, the benefits of QIH information can also be applied to the work of the New Model and 3 Loss Improvement activities at each plant. For further operations, the focus will be on continually improving the skills of problem analysis and problem management.

6 5S patrol by customer view

This is to detect risks in Quality, Safety and 5S, in the production process and exchanging views in the form of customers. Leading to the prevention of problems and has continually developed processes to control production, quality and safety. From April 2018 to March 2021, a weekly production inspection team found the risk about 5S is 49%, about quality is 29% and about safety is 22%. However, the risks found have been resolved and expand the results to let each factory know the details of the risks in order to prevent problems in advance. In the future operations will be combined with Quality in House activities.

After the POWER UP project is closed, each relevant department will have clearly defined manpower and roles to support the activities for operate continuously and smoothly.





2. Safety , Occupational Health and Work Environment

The Company has prioritized safety as the first issue in our management under a concept that



The company has set policies and operations regarding safety, occupational health and working environment along with the regular duties of the employees as follows

- 1 The Company has determined that work safety is the first responsibility in the performance of all employees. All employees must consider their own safety, colleagues and the Company's assets this is important throughout the working time.
- 2 The company complies with laws, regulations, rules and standards related to safety occupational health and work environment including strictly customer safety policies and requirements
- 3 The company supports human resources and budget for safety management occupational health and work environment to achieve the target of zero accidents both during working hours and beyond.
- 4 The Company requires supervisors at all levels to act as role models, leading, training, coaching, motivating and encouraging employees to work in a safe way.
- 5 The company supports and promotes the improvement of the environment. and continuous safe working methods by adhering to the 5S principle (Tidying, Convenience, Cleanliness, Sanitation and Nurturing habits) in the working area and within the company in parallel with the search and assessment of hazards (Safety Shop Floor Management) continuously as well as the use of appropriate personal protective equipment to prevent fire , accident at work sick at work Occupational and communicable diseases including the good health of all employees
- 6 The Company is committed to supporting and encouraging employees, contractors and outsiders to participate in the activities of Occupational Health and Safety That will help stimulate the consciousness of employees both during working hours and beyond such as safety culture, training, incentives, public relations, competitions, safety recommendations, etc.
- 7 The company conducts an assessment based on this policy at least once a year.

Safety Activities

The Safety Committee has been set up to consist of representatives from top management, elected and appointed representatives from our employees. At present we have 33 members Safety Committee to reviews policies and work plans, surveys the way we work as well as consider projects before submitting various operation reports to the Executive Board. The Safety Committee's term of office is 2 years and it convenes at least once a month. Meanwhile, the Safety and Environment Department, which directly reports to the management, is a main body to help supporting various units to achieve activities based on corporate goals. It also collects safety statistics as a means to improve and propose a better and safer workplace environment and employees' wellbeing.

The company encourage employees to assess risk from workplace or from work processes where they can file the Hazard Identification and Countermeasure Registration Form (The Hiyarihut Form) to their supervisors or a responsible body to resolve problems with appropriate measures.

In 2021, the company has set a safety management policy, which is to create a safe and comfortable working environment due to zero accidents/zero accidents, by setting target and results as follows:



Promotion of safety knowledge

The Company also opened the Safety Dojo Center to strengthen understanding and create safety awareness among our employees and third-party contractors. Not only the center assists us to achieve our zero-accident goal, but it also works as a training premise and a center for comprehensive safety learning. A simulation station at the center shows various risk scenarios that could occur from different situations. In addition, The company offers training opportunity to employees at this center each month. The third-party such as government agencies and education institutes may also visit this center as part of their study. But from the epidemic situation of COVID-19 The company therefore refrains from attending the event.



The company has issued guidelines for safety in order to raise awareness of employees' dangers. That can happen within the company, it's called a culture of safety. At present, there are 7 Safety Cultures, 7 The Cultures of Safe Driving, and 6 Safety Culture's Machines to Strengthen safety awareness by emphasizing and promoting public relations in various forms keep employees aware and act accordingly.

The company also organized the following safety activities on a continued basis are

- Safety training such as forklift regulations training, Crane operation, Electrical work, Safety at work chemical storage and responding to emergencies , Training for Safety Officer Supervisory level and safety officer at the level of executive.



- Safety, Environment and Energy Conservation Week Exhibition
Including ongoing safety campaigns such as voice calls, Monday Meetings, and news bulletins within the company.

Occupational Health

Operations The company takes into account the hygiene of employees. by emphasizing cleanliness in all areas elimination of various disease vectors every month regularly Providing facilities and hygiene as well as continually providing knowledge on hygiene such as knowledge about various diseases, health care during different seasons by providing in the form of knowledge boards, etc.



employee sickness to be reduced by **50%** from 2020, where the results of operations are in line with the targets

- Target and results The company has set a target for employee sickness to be reduced by 50% from 2020, where the results of operations are in line with the targets.
- Employee health check The company provides health checks for all employees annually with a general health check list and health checks according to risk factors for employees working in special areas, such as employees who work in noisy, dusty, volatile areas, etc.

Health check results The company distributes health check results book to all employees for acknowledgment. In case employees have any questions or want to discuss health problems, they can ask directly from the inspecting physician such information is confidential to employees. The company arranges doctors and nurses to provide services to employees in the company every day. Give basic medicines to private hospital standards



Implementation of measures to prevent the spread of COVID-19

From the beginning of 2020 to the present the epidemic situation of the Covid-19 virus continues to spread throughout the world. In Thailand, there are still many infected patients. The company continually pays attention to this situation by introducing preventive measures such as

- Set up cleaning equipment points such as hand sanitizer and alcohol throughout the company. Distributing masks for employees to wear to prevent infection at all times from the time of leaving the accommodation to the company and on the way home is the same.
- Body temperature screening of employees and outsiders entering the company territory
- Making various signs for social distancing, social distancing in common areas such as canteens, meeting rooms, etc.
- Publicity of news by increasing the dissemination of video media, the 9 Commandments, Stanley Ruamjai fight against covid-19 Encourage employees to understand and follow such instructions. To prevent infection with COVID-19 And employees can scan QR-Code to communicate with family, relatives, brothers and sisters and friends of employees. In July 2021, the company has provided vaccines to all employees



At present, the company continues to maintain standards and keep an eye on the COVID-19 virus strongly and continually. by adding an ATK check to all employees before the start of the work day every long holiday period, including New Year's Day, Songkran Festival to screen and prevent the Spread.

From various activities seriously and consistently causing the company to receive an award on occupational safety and health In 2021, the company received the following awards:



1. The Outstanding Occupational Health and Safety Award for the 18th consecutive year from the Department of Labor Protection and Welfare Ministry of Labor (November 2021)

The company discloses the safety statistical data at Operation Summary Report



3. Supporting Local Communities and Society

The Company is located at Banklang , Pathumthani , and has been established outside the industrial estate location. The company is highly cautious of impacts that may possibly cause to the surrounding communities. Never having any dispute with the community, the Company is in collaboration with Banklang Municipality, representing communal people in organizing tradition-based activities, remarkable examples are the Buddha image bathing, Buddhist lent candle parade, dry-food almsgiving and to use of local food products is a set of snacks at the shareholders' meeting.

For community development, the company has always relied on its unique employment model, where 80% of residents in Pathumthani province and the nearby vicinity are employed. The company offers opportunities for students of local universities to visit factory for more knowledge and broader understanding on product manufacturing and management. But due to the COVID-19 situation therefore refraining from attending activities in the company

Since 2016, the Company invested 22.25% in Pracharath Rak Samakkee Pathumthani (Social Enterprise) Company Limited, that established from government's policy that the objective is to support for more strong local economy , people have more income. At present, products are distributed on a monthly basis from the manufacturers in the group during the convenience market shopping arrangements ,but due to the COVID-19 situation therefore suspended this activity.

Corporate Social Responsibility Activities of Stanley Thailand Foundation (CSR after process)

The Stanley Group has established the Stanley Thailand Foundation since 1993 with the objective of promoting education, culture, environmental protection and improvement, helping the poor and afflicted and operates for the public benefit or cooperate with other charitable organizations for the public benefit. Almost of the activities are in Pathum Thani province which is considered a local community of Thai Stanley.

In 2021, from the Covid-19 epidemic situation, Stanley Thailand Foundation donated medical equipment to support hospitals and medical personnel as follows:

1

Received the opportunity to meet of Her Royal Highness Princess Maha Chakri Sirindhorn to pay tribute to the Chaipattana Fund for the Fight against Covid-19 (and other epidemics) amount 1,000,000 baht for the development of normal patients' rooms into 2 Semi ICU rooms for Pathum Thani Hospital.





2

As on the occasion of the 40th anniversary of the establishment of Thai Stanley Electric Public Company Limited. Stanley Thailand Foundation, together with Thai Stanley Electric Public Company Limited has donated medical equipment amount 4,000,000 baht for Pathum Thani Hospital, including a Biphasic Defibrillator, Vital signs with defibrillator, Heart function monitor and Automatic vital signs and Monitor arterial blood pressure and Arterial blood oxygen levels for children , Heart and vital signs monitor, Double-sided neonatal phototherapy machine , Patient transport bed , Automatic heart massage machine , High flow oxygen aerator.

3

Donate medical equipment to Ladlumkaew Hospital To help patients in the situation of the Covid-19 virus epidemic, such as UV light sterilizers, High flow oxygen aerator, 10 liter oxygen concentrator, blood oxygen meter, air purifier, total value 3,696,250 baht



4

Donated money to support the establishment of a Call Center, Surveillance Center and Covid-19 Situation Coordination Center in Pathum Thani Province, amount 200,000 baht and donated electrical appliances for use in the center amount 10,730 baht



5

Donated a refrigeration machine for refrigerating vaccines to Debaratana Nakhonratsima Hospital. Nakhon Ratchasima Province, amount 182,970 baht.



6

Support the Drive Thru project, Find, Give away and End for Pathum Thani people. by donating air conditioners and computer equipment amount 220,000 baht



8

Provide survival bags to flood victims in Ban Klang Subdistrict, Mueang District, Pathum Thani Province and those affected by the Covid-19 epidemic in the area of Nakhon Ratchasima Province, total amount 674,488 baht



7

Donate daily necessities such as rice, dry food, seasonings, detergent and Dettol liquid to AIDS patients. in the hospital of Wat Phrabatnampu Lopburi Province and lame children at Ruamphanya Person Lame Association, Nonthaburi Province amount 120,000 Baht.



9

Arranged annual scholarships for the year 2021 to 640 students from 143 schools in Pathum Thani Province and from schools in Nakhon Ratchasima Province. The total scholarship amount is 770,000 baht. In addition, for schools in Nakhon Ratchasima province The Foundation also donated library books to all 8 schools.





Environmental and Energy Conservation Operations



The operations of the company, especially the production is related to both direct and indirect environmental impacts. The company therefore realizes and gives importance to Product design using environmentally friendly raw materials, the production process that takes into account the emissions of waste water, noise, chemicals, odors that may affect the community leading to systematic and concrete environmental management, especially comprehensive water operations, since the supply of water from various sources lead to the production process wastewater treatment having a process of recycling until being used again in the production process and in general use.

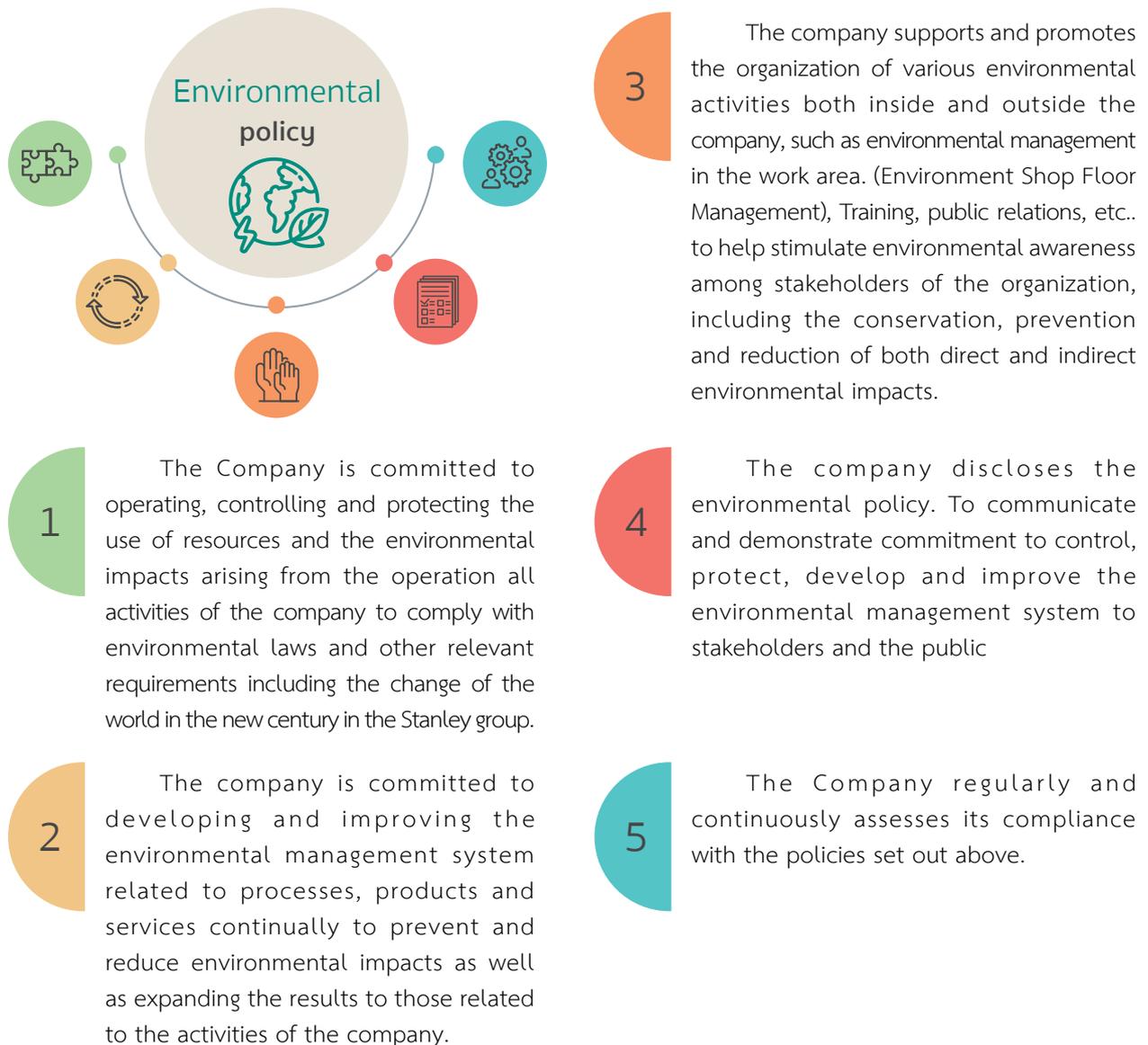
Environmental Management

The Company has appointed an Environment Committee and ER – Environment Responsibility, consisting of executives and employees from all departments. There are currently 73 person. Acts to push, recommend, and environmental management systems which considers the relevance of environmental laws and other requirements and to follow Environmental Management Policy of the Company and the Stanley Group (Japan Stanley Environment Policy) The Safety & Environment Department is responsible for driving various operational activities covering all areas



Environmental policy

In the Company's activities must operate in accordance with the environmental vision. All employees must be aware of their roles and responsibilities in the environment in their work which has the following activities policy

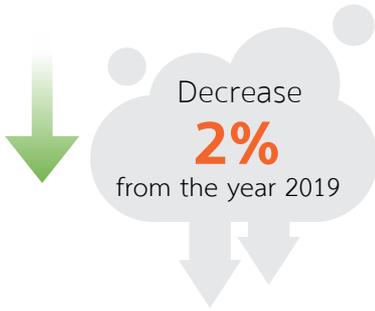


The 2021 environmental policy

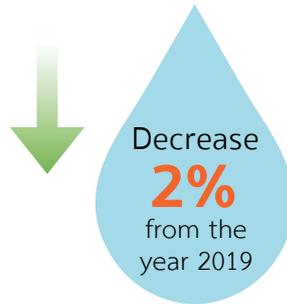
is zero environmental disasters by enhancing environmental potential and compliance.

The environmental target for 2021 are

CO2 emission
compare with Value added



Water consumption
compare with Value added



Waste Disposal
volume



Environmental slogan



Stanley joins together
to reduce the use of water,
paper and plastic bags



Promote recycling area
and defines source of

Recycle

For environmental activities in 2021 are as follows:

1. Activities to reduce the use of important resources

1.1 Water The company has a need to use water for production and consumption in the company each year in large quantities. The water sources are as follows - Raw water and tap water from government agencies accounted for 82.95% of the total amount of water used. The company regularly measures water quality 12 times a year.

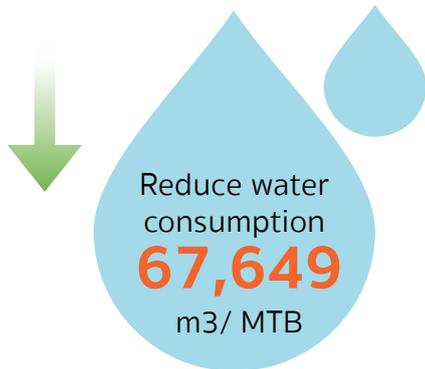


Target

Reduce water usage rate by 2% from base year 2019 (Company level) by using indicators as water usage rate per value added.

Results

obtained in 2021 were as targeted. Can reduce water consumption 67,649 m³/ MTB



Operation



1. Recycle water is used in the water curtain system of the coating process in the Lamp factory, lawn watering system and use in the bathroom (Flush) at PQC Welfare Building. Currently uses recycled water, accounting for 65.04% of the total wastewater volume.
2. Change toilet sanitary ware to a water-saving model and change the bathroom sink faucet to a sensor in the whole company.

1.2 Paper - work of various departments both the office and the production department use a lot of paper. The company aims to reduce its usage by finding other tools such as various computer programs.

Target

Reduce paper usage rate by 2% from base year 2019 (company level) by modifying conformity assessment method through the use of Excel, establishing a system for processing waste material through the use of the unit's program of Information System Department and create a campaign to reduce the use of paper in every unit, at least 1 project per unit, the results are in accordance with the target.



Result



reduce paper usage by
2,224 Ream

Result on target can reduce paper usage by 2,224 reams

1.3 Waste Disposal The Company campaigns for employees to be aware of the cost-effective use of resources. Reduce the use of plastic bags, waste sorting, etc.



Target

Reduce the amount of waste sent to landfill by 2% from the base year 2019 (company level)

Result

The company emphasizes on separating waste into different categories, destroying waste and selling it to the private sector for further recycling. In addition, 5S activities are emphasized by emphasizing cleanliness in all areas.

Operation

Implementation of waste sorting campaigns and changing waste disposal methods by pushing to get rid of Reuse and Recycle, organized monitoring activities from the Environment Committee every quarter to check the waste management of each unit and public relations to raise awareness by training on Company waste management for employees as well as campaigning for all agencies to create a project to reduce the amount of waste at least one project per unit.

2. Monitoring by management and external agencies

In order to improve and maintain a good environment always, The company requires top executives to monitor every area on a monthly basis. In 2021, the company provides external standards agencies to measure various pollution values within the company, such as noise, waste water, heat and air quality, the measurement results are within the standard.

3. Environmental training

The company requires Organizing regular environmental training, including regulatory courses ISO14001:2015, internal waste management courses, etc.

4. Environmental campaign activities

To encourage employees to participate in environmental conservation such as organizing the World Environment Day exhibition, activities to reduce the use of plastic bags within the company. Green Factory Project activities where executives and employees join together to plant trees to increase green space in the company on the last working day of the year.



5. The Learning Center of the Environment and Energy Conservation

Source

This Center has been established under the principle of 3Rs of Reduce, Reuse and Recycle and is part of the Thai Stanley Farm Project, which is carried out on the basis of the sufficiency economy principle where land within the company is used for the benefit of employees and to increase the green area within the compound.

Objective

The company realizing the importance of health, safety and environmental conservation, which is a strong foundation for a business to remain friendly to the ecology, the environment and surrounding environment which also includes a good quality of life of employees, The company is inspired to have the Safety & Environment Department set up the Learning Center for Environment and Energy Conservation for a sustainable learning process of employees and the public at large. The 196-square meter center, which is located next to the Lamp 7 Factory, has been established under the 3R principles, namely, Reduce, Reuse and Recycle.

Plans and operations

The center has a two-pharse operation plan.

Phase 1 operation has partially started since December 12, 2021.

Phase 2 the full-scaled operation will start in May 2022. Phase 1 operation consists of recycling and reducing the CO2 emission through the use of alternative energy, vegetable gardening carried out under the principle of sufficiency economy, sustainable ecology and waste reduction by separating and selling it. Phase 2 operation will include learning activity outside the company's premise with an emphasis on hand-on practice so that the knowledge can actually apply in everyday's living to generate incomes, reduce expenses and create a network where knowledge can be effectively transferred.



The company did not find any illegal environmental practices and no environmental accidents. In addition, the Company has no conflicts or complaints on environmental issues from communities and external agencies. The company has been certified with the ISO14001 system since 2002 until the present.



Energy and Greenhouse Gas Management

The Company's business operations are related to energy such as electric power and fuel energy for use in production including transportation. The company therefore promotes the implementation of valuable energy conservation operations maximum benefit finding renewable energy as well as creates an organizational culture on energy conservation with systematic and continuous management.

Energy Conservation Management

The company appoints the energy conservation committee, which is a representative from all departments in the company. Currently there are 23 person who perform energy management duties. in accordance with the energy conservation policy and the Company's energy management methods, coordinate, supervise and prepare reports on energy conservation and support executives to take legal action, with the Safety & Environment Department as a driving force for various activities.

Energy conservation policy



1. The company is committed to energy management and energy conservation in compliance with energy conservation laws and regulations related.
2. The Company regards energy conservation as the duty and responsibility of the management and employees at all levels to cooperate in complying with the specified energy conservation measures. Including regular monitoring and reporting to the Energy Efficiency Committee. This is to express our intention to continually improve energy efficiency.
3. The Company allocates sufficient and appropriate resources related to energy conservation and energy management. In order to carry out energy management according to the objectives and goals that has been set.
4. The company pushes the production process including other activities related to energy use for energy conservation and the most efficient use of energy. This is considered part of the company's operations.
5. The company continues to improve the energy efficiency of the organization to suit the nature and amount of energy actually used. To be consistent with the characteristics of the appropriate technology industry and to apply good practice appropriately and continuously.
6. The company seeks clean energy to contribute to energy conservation and sustainable environment and publicize energy conservation activities to stakeholders
7. Reduce CO2 emissions according to annual indicators 2021

Energy conservation slogan 2021

Make contributions to the analysis of electrical energy

Choose to provide clean energy for use.

Analysis of key issues and approaches to energy management



Electricity using in production
8.65%
of total expenses



Electricity from private
59.87%



Electricity from government
38.98%



Clean Energy
1.15 %

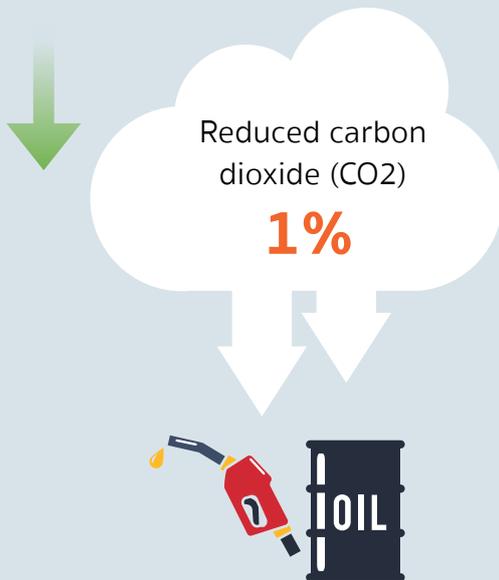
1. Electric power, At present, the company needs to use electricity for production, accounting for 8.65% of the company's total expenses, divided into

The direct

way is the use of electricity from the government sector. (Provincial Electricity Authority) about 38.98%

The indirectly

purchases from the private sector approximately 59.87% and from clean energy production approximately 1.15%.



2. Fuel, Most of the company uses about 100% of its vehicles and it is not used in the manufacturing process.

In 2021, the company has set target and take action on energy conservation as follows:

- Reduced carbon dioxide (CO2) emissions by 1% from 2019 base year (company level) with activities to monitor energy consumption using yellow cards, training to raise awareness of energy use and promote clean energy use (Clean energy)



Reduce electricity consumption in 2021 by installing Solar cell

1,190,896 kWh/Year



Reduce **CO2 Emission**

708.58 TonCO2/Year



Reduce electricity

5,013,672.79

Baht/ Year

At present, the Company has installed solar cells on the roof of Lamp 7 factory and the roof of the multipurpose building PQC which consists of a cafeteria, library, exercise room and an area for engineering, production support and trial training for production staff before entering the actual production factory Electricity capacity (Capacity) : 1.2 MW, which can reduce electricity consumption in 2020 (Produced Energy) :1,190,896 kWh/Year Reduce CO2 Emission : 708.58 TonCO2/Year, and can help reduce electricity costs (Reduce Electric Consumption): 5,013,672.79 baht/year and the company plans to expand the capacity of Solar Cell in the future at the Lamp 7 factory building, the extension and the Lamp 8 factory building

The company also has activities to reduce the use of electricity with a target of 1% reduction from the year 2019, which has an electricity consumption of 8.9377 TonCO2/MTHB, with activities to reduce energy consumption to achieve the set goals as follows:



Stop production line **on Sunday 1 day per month**

electricity consumption is **8.9377** TonCO2/MTHB

- Installing a Power Meter and taking electricity usage data to analyze where there is a fault
- Holiday Energy Reduction Program which will campaign to stop the production process on Sunday, 1 day per month. This makes it possible to reduce electricity consumption almost as targeted. The electricity consumption is 8.9377 TonCO2/MTHB

In addition, the Company also organizes campaign activities for employees to participate in the cost-effective use of resources as follows:



- Establish a culture of environment and energy conservation which is conveyed out as pictures and messages attached to different areas make it easy for employees to see.
- Public relations campaign via voice over the line every day at 11:30 AM.
- Monitoring from the Energy Efficiency Committee in every department, every week to provide conservation activities covering all areas
- Quarterly audits from top management to provide advice on ongoing energy conservation activities
- Energy Conservation Potential Assessment and energy management status.

The Company summarizes its environmental and energy conservation performance on the Performance Summary page.

*Note: The company has to prepare greenhouse gas emissions data by hiring a carbon footprint reviewer. (which has been registered with the Greenhouse Gas Management Organization - TGO.)

Operation Summary Report



Summary Operation Result	Unit	2021	2020	2019
Economic Performance				
Common Stock, Revenue , Profit , Financial Ratio - as in Annual Report	Page	3, 68	3, 93	3, 71
Corporate Governance Performance				
The number of complaints from business ethics violations that enter the company complaint system	Case	-	-	-
Violation of the Code of Business Conduct is a reality.				
• Corruption	Case	-	-	-
• Use of company information	Case	-	-	-
• Giving and receiving bribes	Case	-	-	-
• Human issues	Case	-	-	-
• Tax payment	Case	-	-	-
Human Resource Performance				
Total Employee	Person	3,003	3,107	3,084
Male	Person	1,640	1,693	1,692
Female	Person	1,363	1,414	1,392
Employee provide by division				
Administration Division	Person	112	118	96
Marketing Division	Person	45	112	55
Production and Support Division	Person	2,846	2,877	2,933
Employee by type				
Permanent	Person	2,626	2,662	2,765
Fixed Time	Person	377	445	319
Employee by nationality				
Thai	Person	2,982	3,085	3,060
Japanese	Person	21	22	24
Employee by aging				
Under 30 Years old	Person	1,156	1,184	1,206
30 - 39 Years old	Person	1,087	1,132	1,138
40 - 49 Years old	Person	630	639	605
Over 50 Years old	Person	130	152	135
Employee by Position				
Executive Management	%	0.43	0.42	0.16
Middle Management	%	2.16	2.22	1.42
Primary Management	%	3.44	4.22	3.17
Unit Head and Leader Group	%	13.00	12.23	11.65
Employee	%	80.97	80.91	83.60

Summary Operation Result	Unit	2021	2020	2019
New Employee				
Male	Person	216	420	144
Female	Person	207	410	87
Resignation Employee				
Male	Person	334	422	251
Female	Person	270	378	183
Female Employee Maternity leave				
Maternity leave	Person	63	63	64
Back to work after maternity leave	Person	54	52	58
Training				
Training hour per employee (Average)	Hour	25	20	28
Training Expenses	Million Baht	1.70	1.10	12.85
Safety Performance				
Number of Accident - stop working * (Only Employees who have an accident)	Time	-	-	-
The number of deaths from working in the company				
Employee	Person	-	-	-
Other Person	Person	-	-	-
Number of illnesses and injuries from work				
Employee	Time	3	11	18
Other Person	Time	-	-	-
Environment and Energy Performance				
Material Utilization				
Main Material utilization (Resin)	Ton	9,634	8,123	11,419
Electricity and Fuel				
Electricity usage	kWh	107,058,815	86,290,247	109,082,595
Electricity usage from Solar Cell	kWh	1,190,896	932,705	246,660
Fuel usage (Gas)	Liter	280,985	228,784	549,246
Waste , Defect and Industrial waste Disposal				
Quantity of Waste	Ton	4,023	3,355	5,185
Water				
Quantity of water usage				
Tap water	M ³	318,668	272,131	426,838
Groundwater	M ³	923	4,302	14,215
Recycle water usage	M ³	64,461	61,022	69,094

តំបន់ GRI Content Index

GRI Indicator	Descriptions	Page	
		Annual Report	SD Report
GRI 102	General Disclosures		
	Organization Profile		
GRI 102 - 1	Name of the organization		7
GRI 102 - 2	Activities , brands , products and service		11
GRI 102 - 3	Location of headquarters		7
GRI 102 - 4	Location of operations		7
GRI 102 - 8	Information on employees and other workers		52
GRI 102 - 9	Supply chain		12
	Strategy		
GRI 102 - 14	Statement from senior decision-maker		4
GRI 102 - 15	Key impacts , risk and opportunities		20
	Ethic and Integrity		
GRI 102 - 16	Values , principles , standards and norm of behavior	2	
	Governance		
GRI 102 - 18	Governance structure	98	
GRI 102 - 19	Delegating authority	118	
GRI 102 - 22	Composition of the highest governance body and its committees	119	
GRI 102 - 26	Role of highest governance body in setting purpose, values and strategy	118	
GRI 102 - 28	Evaluating the highest governance body's performance	128	
GRI 102 - 29	Identifying and managing economic, environmental and social impacts		18
GRI 102 - 30	Effectiveness of risk management processes		20
GRI 102 - 35	Remuneration policies	122	
GRI 102 - 36	Process for determining remuneration	130	
	Stakeholder Engagement		
GRI 102 - 40	List of stakeholder groups		16-17
GRI 102 - 43	Approach to stakeholders engagement		16-17
GRI 102 - 44	Key topics and concerns raised		16-17

GRI Indicator	Descriptions	Page	
		Annual Report	SD Report
	Reporting Practice		
GRI 102 - 50	Reporting period		6
GRI 102 - 51	Date of most recent report		6
GRI 102 - 55	GRI content index		54
GRI 200	Economic		
GRI 201	Economic Performance		
GRI 201 - 1	Direct economic value generated and distributed	3	
GRI 205	Anti Corruption		
GRI 205 - 2	Communication and training about anti-corruption policies and procedures		19
GRI 300	Environmental		
GRI 301	Materials		
GRI 301 - 1	Materials used by weight or volume		53
GRI 302	Energy		
GRI 302 - 1	Energy consumption within the organization		53
GRI 302 - 3	Energy intensity		
GRI 302 - 4	Reduction of energy consumption		53
GRI 302 - 5	Reductions in energy requirements of products and services		53
GRI 303	Water		
GRI 303 - 1	Water withdrawal by source		53
GRI 303 - 3	Water recycled and reused		53
GRI 304	Biodiversity		
GRI 304 - 2	Significant impacts of activities , products and service on biodiversity		15
GRI 304 - 3	Habitats protected or restored		
GRI 305	Emissions		
GRI 305 - 1	Direct (Scope 1) GHG emissions		50
GRI 305 - 2	Energy indirect (Scope 2) GHG emissions		50
GRI 306	Effluents and Waste		
GRI 306 - 2	Waste by type and disposal method		46

GRI Indicator	Descriptions	Page	
		Annual Report	SD Report
GRI 400	Social		
GRI 401	Employment		
GRI 401 - 1	New employee hires and employee turnover		54
GRI 401 - 3	Parental leave		54
GRI 403	Occupational Health and Safety		
GRI 403 - 1	Workers representation in formal joint management-worker health and safety committees and number of work-related fatalities		36
GRI 403 - 2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities		53
GRI 403 - 4	Health and safety topics covered in formal agreements with trade unions		36
GRI 404	Training and Education		
GRI 404 - 1	Average hours of training per year per employee		53
GRI 404 - 2	Programs for upgrading employee skill and transition assistance programs		30
GRI 404 - 3	Percentage of employees receiving regular performance and career development reviews		30
GRI 406	Non-discrimination		
GRI 406 - 1	Incidents of discrimination and corrective action taken		26
GRI 408	Child Labor		
GRI 408 - 1	Operations and suppliers at significant risk for incidents of child labor		25

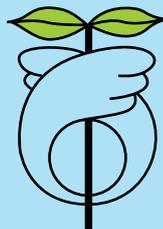


Thai Stanley Electric Public Company Limited

 29 / 3 Moo 1 Bangpoon-Rangsit Road
Banklang Muang Pathumthani 12000

 Telephone 0-2581-5462 , 0-2977-9555

 Fax 0-2581-5397



**Be Friendly to
the Environment**