Sustainable Development Report 2023
TRIPLE I LOGISTICS PUBLIC COMPANY LIMITED

Triple i
LOGISTICS

the RIGHT
Solution
the RIGHT
Partner

the RIGHT
Solution
the RIGHT
Partner

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Message from the Chairman of the Board of Directors

With the transformation of today's society, sustainability issues have become one of the hottest trends that is contributing towards changing the world. Operating a business to drive an organization toward sustainable development requires the integration of economic, social and environmental dimensions.

In this regard, Triple i Logistics Public Company Limited (hereinafter referred to as the "Company") adheres to the spirit of conducting business under business ethics. In the past year, the Company has incorporated sustainability development guidelines into its work processes, as well as places great importance on managing sustainability issues to comprehensively cover all related stakeholders involved in the business, from upstream to downstream. Therefore, the Company has conducted a review and added sustainability operating policies to exhibit its progress on business development, while also taking into consideration the impact on society and the environment. Moreover, the Company has also appointed a sustainability working group that combines cooperation between the management team and representatives of personnel from all departments. This is aimed to collaboratively determine strategies and plans across every dimension, as well as to follow up on the operating results to achieve sustainability goals.

For 2023, the Company has been assessed by the Stock Exchange of Thailand to be ranked among the sustainable stocks in the SET ESG service business group according to the ratings received from its submission for the first time. This is considered a resounding success in terms of business strategy that is conducted along with sustainable organizational development. With this in mind, the Company is committed to raising the organization's sustainability standards on an annual basis.

On behalf of the Board of Directors, I would like to express my gratitude for the trust and good cooperation from all stakeholders and believe that everyone can be a driving force for the Company to grow robustly. We pledge to conduct our business on the basis of accuracy, transparency, fairness, conscience, and responsibility, as well as being ready to continue creating value for all sectors.

Mr. Krirkkrai Jirapaet
Chairman of the Board of Directors
Triple i Logistics Public Company Limited

Message from the CEO

Triple i Logistics Public Company Limited (the "Company") is expected to continue its success in 2023. The company is on track to achieve its economic growth targets and has been named on the list of sustainable stocks. The Company's success is due to its business vision, which emphasizes creating value, strengthening the business, and implementing a sustainability strategy that includes ethical operations, responsible resource use, and caring for all its stakeholders, as well as the community and society.

Sustainability development is a critical aspect of our organization in this regard, which is implemented at every level of the Company to create a business process that leads to sustainable growth across all dimensions, including the economy, society, and the environment. All of our executives have participated in the sustainability working group, and we have provided opportunities for employees to join sustainability working groups in each aspect. We have readily promoted their participation in offering opinions in the development of various plans or projects, such as in the campaign for the optimal use of resources, and the application of technology to enhance work efficiency and reduce the use of resources. We have conducted surveys to assess the impacts of our business operations in the community, as well as regularly passing on logistical knowledge and expertise to help the communities and society in times of crisis and during normal circumstances, etc.

As Chairman of the Management Committee and Chief Executive Officer, I would like to offer my appreciation to the management team, as well as the employees, who have worked collaboratively to perform their duties to the best of their abilities. As a company, we would also like to thank our customers, business partners, and associates, who have always supported the Company's business. We would like to also reaffirm our commitment to developing our business to grow with value in response to the expectations of our stakeholders, as well as raising its level to become a leading regional logistics company with sustainable growth.

Mr. Tipp Dalal
Chairman of the Management Committee
and Chief Executive Officer
Triple i Logistics Public Company Limited

2023 Highlight Performance

Net profit was the highest in history at **866.2** million baht, an increase of **70.6** million baht from the previous year.

Bringing in ANI, the Company's joint venture, to raise funds on the stock exchange as targeted.

Received a **5**-star Corporate Governance Rating (CGR) for the fifth consecutive year.

Passed the selection and announced the results of the "SET ESG Ratings" at the BBB level.

Establishing a working group on sustainable development (ESG) covering operations in all **3** dimensions.

No disputes or convictions or litigation or complaints related to the Group's environmental, social and corporate governance issues.

There were zero corporate governance and human rights complaints.

Providing **7** innovative projects that promote work processes to be efficient.

Customer satisfaction with the Group's products and services was **89.81%**.

Preparing environmental and climate policy.

Able to reduce the carbon footprint by **291.02** kgCO2e, equivalent to planting **32** large trees that are **10** years old.

Adjusting the compensation and welfare structure to be consistent with the current economic and social situation.

The results of job satisfaction and employee commitment to the organization were at **80%**

The turnover rate of personnel decreased from 2022.

There was no occupational fatality.

The Lost Time Injury Frequency Rate (LTIFR) among employees decreased from 2022.

The results of a community survey of **400** households found that the Group's business operations had no negative impact on the community.

Logistics expertise has been used to help reduce community and social problems in **5** main projects, with more than **2,500** people benefiting.
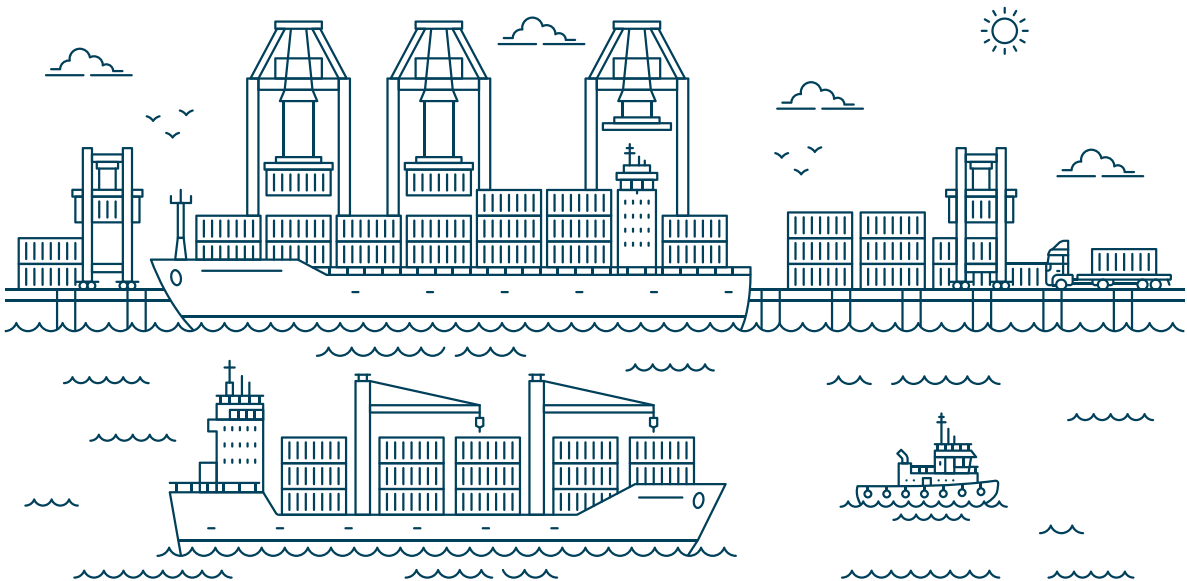
Awards and Recognition

Business standards and success of the Group in 2023

Triple i Logistics PLC.
- received a sustainability assessment at the BBB level from the Stock Exchange of Thailand
- was the listed company that received the rating of "Excellent", 5-star, on corporate governance from the Thai Institute of Directors (IOD)
- was certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption by the Thai Institute of Directors (IOD)
- won the "Outstanding Investor Relations Award" for outstanding performance in investor relations activities from the Stock Exchange of Thailand
- was certified to "TIFFA Mark", Bronze Level by the Thai International Freight Forwarders Association
- was certified to ISO 9001:2015 Provision of Logistics Services (Freight Forwarder) by Sea Freight and Air Freight Worldwide

Triple i Air Express Co., Ltd.
- won the "Continual Support to Thai Cargo Award" as a representative who continuously supports Thai Cargo
- won the "Outstanding Support During in H12023 Award" for being an outstanding representative of Teleport in the first half of 2023
- won the "Continual Support to Emirates Sky Cargo Award" as a representative who continuously supports Emirates Sky Cargo
- won the "Emirates Sky Cargo Workshop in Bangkok Award" regarding cargo space services, online services, transportation processes, and other services of Emirates Airlines
- was certified to ISO 9001:2015 Provision of Domestic and International Air Freight Forwarder

Asia Ground Service Co., Ltd.
- was certified to ISO 9001:2015 Provision of International Cargo Terminal Logistics Services

Triple i Maritime Agencies Co., Ltd.
- was certified to ISO 9001:2015 Provision of Freight Forwarding Services

HazChem Logistics Management Co., Ltd.
- was certified as a trade partner company with outstanding and recognized works at the "Excellent" level by Dupont
- was certified to GHPs Codex food safety standards (GHPs Codex 2020 according to Scope: Provision of Storage and Transport Services of chemical products for food industry
- was certified to ISO9001:2015 Provision of Integrated Logistics Services (Sea Freight, Air Freight, ISO Tank), Warehousing and Distribution for Hazardous Chemicals and Dangerous Goods

DG Packaging (Thailand) Co., Ltd.
- was certified to ISO9001:2015 Provision of International Freight, Packaging and Packing Services for Chemical and Dangerous Goods

Triple i Logistics PLC. was the listed company that received the rating of "Excellent", 5-star, on corporate governance

Triple i Logistics PLC. was certified as a member of Thailand's Private Sector Collective Action Coalition Against Corruption

Triple i Logistics PLC. received a sustainability assessment at the BBB level

Triple i Logistics PLC. won the "Outstanding Investor Relations Award" for outstanding performance in investor relations activities

Triple i Logistics PLC. was certified to "TIFFA Mark", Bronze Level

About This Report

Triple i Logistics Public Company Limited (the "Company"), a comprehensive logistics service provider, has prepared this sustainability report to present key insights, management practices, and operational results that reflect the sustainable development strategy, focusing on critical aspects of the Group and all stakeholders. This report covers corporate governance and the economic, social, and environmental dimensions. The Company initiated the first sustainability report in 2022, and this edition encompasses reporting periods from January 1, 2023, to December 31, 2023.

This report has been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards). These standards are globally recognized, presenting operations that align with the United Nations Sustainable Development Goals (SDGs) and the criteria for sustainability assessment set by the Stock Exchange of Thailand. The content of this report is derived from the evaluation of sustainability issues considered significant by all stakeholders, totaling 14 focal points. These issues are intricately linked to the business vision of the Company. Additionally, the Company has disclosed the content of this report on its website.

Furthermore, the Company places importance on organizational risk management, good corporate governance, and fair treatment of stakeholders to foster sustainable and stable business growth, and promotes innovation and logistics technology development through collaboration with both public and private entities in import-export activities for customers, importers, and exporters within the Company Group. The Company aligns its operations with the 3rd National Logistics Development Strategic Plan B.E. 2560-2564 (2017-2021), within the framework of the 20-Year National Strategic Framework and the 12th National Economic and Social Development Plan B.E. 2560-2564 (2017-2021). The goals include driving the logistics system development strategy to be practically efficient, contributing to Thailand's elevation as a hub for trade, services, and investment in the region.

Scope of Report

This report presents the operating results for the year 2023, encompassing all divisions of Triple i Logistics Public Company Limited (TLG).

Definitions: Throughout this report,
"Company"   means Triple i Logistics Public Company Limited (TLG),
"Subsidiaries"   means company in which TLG has more than 99% shareholding,
"Group"   means TLG and company in which TLG has more than 99% shareholding.

The Group consist of TLG and a total of six companies, categorized based on their primary business units as follows:
Air Freight Business
- Triple i Air Express Company Limited (TAX)
- Asia Ground Service Company Limited (AGS)
Sea Freight and Inland Transport Business
- Triple i Maritime Agencies Company Limited (TMA)
Logistics Management Business
- Triple i Supply Chain Company Limited (TSC)
Chemicals and Specialty Logistics Business
- Hazchem Logistics Management Company Limited (HLM)
- DG Packaging (Thailand) Company Limited (DGP)

The scope of reporting according to data types is as follows:
- Economic Data: Encompassing the operational results of the Group, aligned with the Form 56-1 (One Report) for the fiscal year 2023.
- Environmental Data: Covering activities and operational results of the Group significantly impacting the environment. The data on water quality monitoring results specifically originate from the operations of Hazchem Logistics Management Company Limited, pertaining to the storage area located within the Frasers Property Industrial (Thailand) Company Limited warehouse project.
- Social Data: Encompassing activities and operational results of the Group that have a significant impact on communities and society.

Assurance of the Report

The economic performance data in this report is derived from the accounting data system, similar to the Form 56-1 (One Report) for the year 2023. It has undergone an audit by authorized auditors.

Regarding the environmental and social performance data, the Company engaged external sustainability experts to provide recommendations, review content, and ensure confidence in the reporting process to enhance credibility of this report. This is in line with the sustainable development reporting guidelines outlined in the GRI Standards.

Enhancing the Report Quality

All stakeholder groups are encouraged to provide feedback on this sustainable development report through a reader feedback survey. The Company will analyze this feedback to improve and enhance future sustainable development reporting endeavors.

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Part 1

Corporate Information

Vision, Mission, Corporate Values

Vision
The Leading Thai Logistics Group in Asia through "Logistics and Beyond"

Mission
"Integrating values to be "the Right Solution, the Right Partner" for all stakeholders and for sustainable growth"

1. To become Thailand's leading logistics leader in Asia and be listed on SET100 Index in the year 2024.

2. To deliver superior logistics service value with expertise under international standards.

3. To conduct business with social responsibility, environmental management, and good corporate governance for stakeholders throughout the value chain.

4. To expand the logistics business from the original scope of business in depth and breadth by adding expertise to other logistics businesses, including development of innovation and technology for the management of excellent logistics to support sustainable business growth of customers.

5. To raise the competency and skills of human resources in a safe manner. Ready to create work processes and knowledge of the organization to achieve excellence.

Corporate Values

INTEGRATION

We believe in the power of synergizing strengths and linking potential within and beyond the organization and business partners to achieve the highest efficiency in business operations and sustainable growth.

INNOVATION

We encourage creativity and strive to develop innovation in logistics services, including paying attention to self-improvement and observing the value of learning in order to be ready to work and make a remarkable difference for the organization.

INTIMACY

We focus on providing our customers and partners with the best and most appropriate logistics services that arising from our care and understanding of the needs of our customers and partners along with building trust based on responsibility and honesty that will lead to long-term relationships.
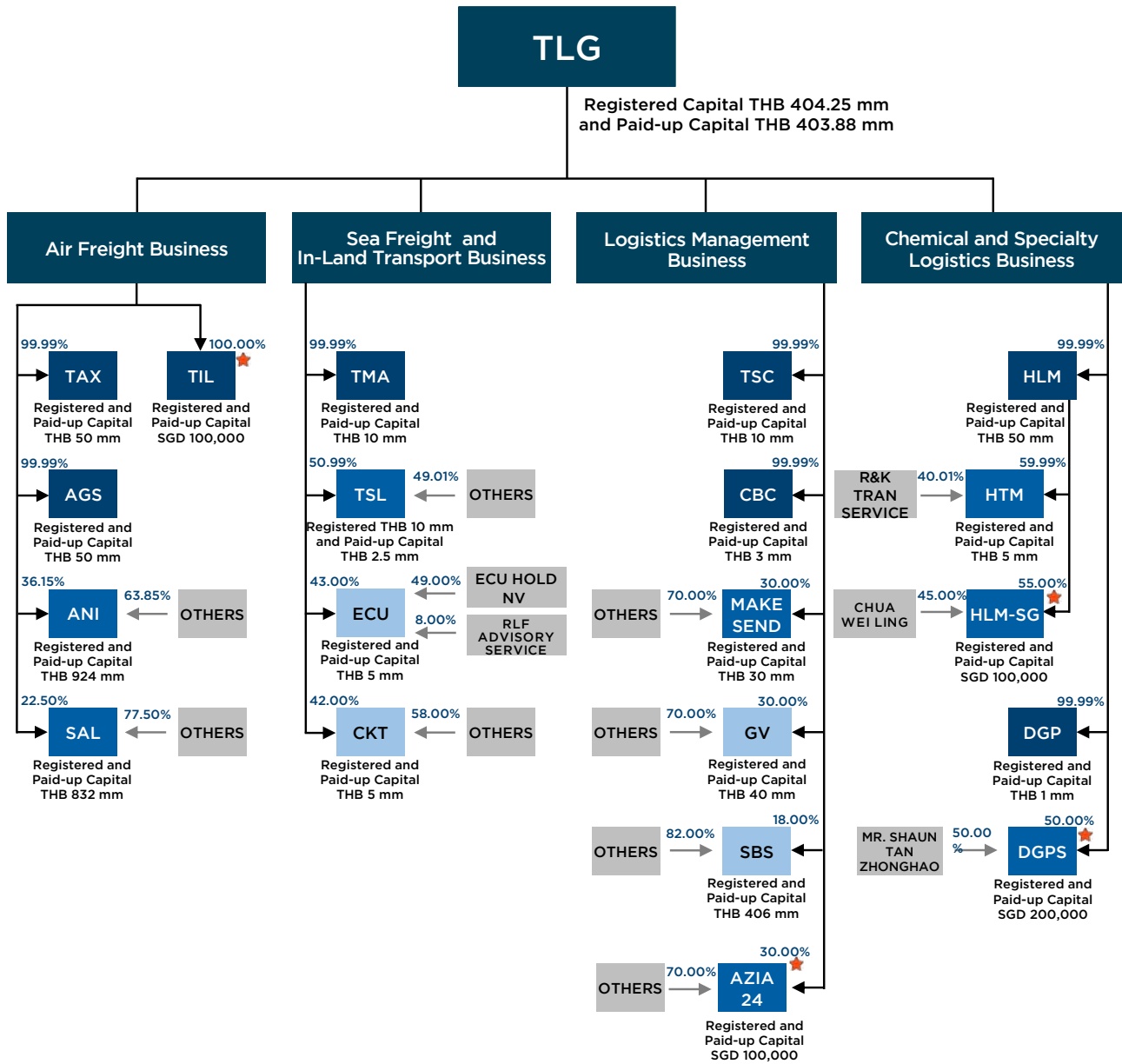
Our Business – Triple i Logistics

Triple i Logistics Public Company Limited (hereinafter referred to as the "Company") and its subsidiaries and associated companies (collectively hereinafter referred to as the "Group") are currently a leading logistics service provider that offers a complete range of services from upstream to downstream, covering international freight forwarding services from air freight, sea freight, and inland transport to warehousing and distribution services for general products and products that require expertise in handling such as chemicals and dangerous goods. In addition, the Group has been developing new logistics-related businesses to expand from the original business, increase competitiveness, diversify business risks, and create opportunities to find new sources of income. The Group's growth path can be briefly summarized as follows:
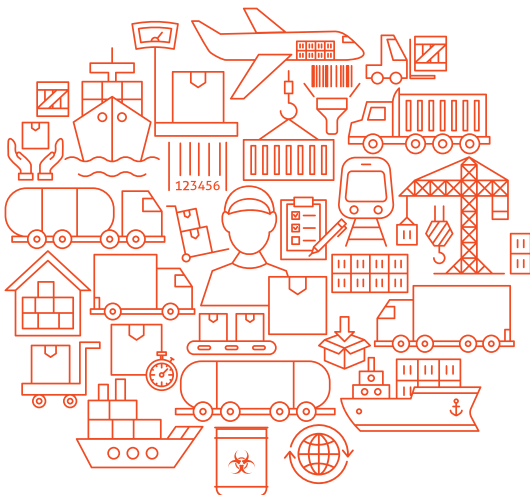
With service quality that meets international standards and the use of technology in the work process, the Group is able to offer services that meet the diverse and specific needs of customers. The Group focuses on building flexible teams with expertise in each area of services offered by the Group to provide valuable and unique services, creating the highest level of customer satisfaction. The Group also continues to develop new services together with our business partners. The Group has established management guidelines through operations of the four main business units and strategic planning and business development together with the Business Development Unit, which is a mechanism that determines the direction of the organization's business operations to achieve the specified missions. Details of the business structure of the Group are as follows:

1.   Business Structure and Shareholding Structure of the Group

TLG

Registered Capital THB 404.25 mm
and Paid-up Capital THB 403.88 mm

Air Freight Business

99.99% **TAX**
Registered and Paid-up Capital THB 50 mm

100.00% **TIL** ★
Registered and Paid-up Capital SGD 100,000

99.99% **AGS**
Registered and Paid-up Capital THB 50 mm

36.15% **ANI** 63.85% OTHERS
Registered and Paid-up Capital THB 924 mm

22.50% **SAL** 77.50% OTHERS
Registered and Paid-up Capital THB 832 mm

Sea Freight and In-Land Transport Business

99.99% **TMA**
Registered and Paid-up Capital THB 10 mm

50.99% **TSL** 49.01% OTHERS
Registered THB 10 mm and Paid-up Capital THB 2.5 mm

43.00% **ECU** 49.00% ECU HOLD NV
8.00% RLF ADVISORY SERVICE
Registered and Paid-up Capital THB 5 mm

42.00% **CKT** 58.00% OTHERS
Registered and Paid-up Capital THB 5 mm

Logistics Management Business

99.99% **TSC**
Registered and Paid-up Capital THB 10 mm

99.99% **CBC**
Registered and Paid-up Capital THB 3 mm

OTHERS 70.00% **MAKE SEND** 30.00%
Registered and Paid-up Capital THB 30 mm

OTHERS 70.00% **GV** 30.00%
Registered and Paid-up Capital THB 40 mm

OTHERS 82.00% **SBS** 18.00%
Registered and Paid-up Capital THB 406 mm

OTHERS 70.00% **AZIA 24** 30.00% ★
Registered and Paid-up Capital SGD 100,000

Chemical and Specialty Logistics Business

99.99% **HLM**
Registered and Paid-up Capital THB 50 mm

R&K TRAN SERVICE 40.01% **HTM** 59.99%
Registered and Paid-up Capital THB 5 mm

CHUA WEI LING 45.00% **HLM-SG** 55.00% ★
Registered and Paid-up Capital SGD 100,000

99.99% **DGP**
Registered and Paid-up Capital THB 1 mm

MR. SHAUN TAN ZHONGHAO 50.00% **DGPS** 50.00% ★
Registered and Paid-up Capital SGD 200,000

Note : Individual and juristic persons jointly invested in iii are business partners only.
None of these persons have personal relationship with director and/or management of the company.

■ = Subsidiaries   ■ = Joint Venture   ■ = Associated   ★ = Oversea Companies

2.   Main Organization Drivers

In 2023, the Group operated the business through 4 main business units, which were managed by 20 subsidiaries, associated companies and joint ventures (excluding TLG). The brief details are as follows:

Item	Company	Type of Business	Registered Capital
1	Triple i Logistics Public Company Limited (TLG)	Integrated logistics service provider, covering domestic and international freight forwarding services, from air freight, sea freight, inland transport, custom clearance services to supply chain management for general and specialty products such as chemicals and dangerous goods. The Company also makes investment plans for new or logistics-related businesses.	406,205,126.50 baht

Subsidiaries and Associated Companies under the 4 Main Business Units

1.   Air Freight Business

1.1   GENERAL SALES AGENT – GSA FOR AIRLINES

The Group operates as general sales agent for airlines in managing and selling air cargo and other operational tasks related to the air freight business through Asia Network International Public Company Limited or ANI, a joint venture company. Which currently represents more than 20 airlines with a network covering Thailand, China, Hong Kong, Singapore, Malaysia, Myanmar, and Cambodia.

- On 14 December 2023, the Company listed ANI on the Stock Exchange of Thailand. ANI is the first and only company operating as general sales agent for airlines business which is listed on Asia stock market.

1.2   WHOLESALE AIR FREIGHT FORWARDER

The Group provides domestic and international wholesale air freight, including customs clearance services for import and export, and trucking services for picking up and delivering goods between airports and customers for small international freight forwarders. The Group also provides air mail and postal parcel delivery for Thailand Post Company Limited (Thailand Post).

In the present, the group focuses on providing international air freight services in the form of transshipment and cross-border freight services, connecting both Air to Air cargo and Truck to Air cargo service to customers who are e-Commerce freight forwarders to support the expansion of the e-Commerce business, which has a continuous high growth rate.

1.3 GROUND HANDLING AND AIR CARGO TERMINAL

The Group offers general cargo service and international express cargo service at Don Mueang Airport, to accommodate air freight for both inbound and outbound flights within the airport terminal, which is currently authorized by Airports of Thailand Public Company Limited (AOT). The Group is an international cargo service provider with a total service area of more than 6,200 square meters. At present, the Company has expanded its services to provide freight services between airports for business operators who transport both transshipment and transit goods from Don Mueang Airport to other airports within the country.

In addition, the Company has expanded investment in related ground handling service business, which the Company invested in SAL Group (Thailand) Co., Ltd. (SAL), a joint venture company with Airports of Thailand Public Company Limited (AOT), which has established AOT Ground Aviation Services Co., Ltd. (AOTGA) to provide ground and passenger services to airlines and air cargo terminal. This is to expand the scope of services and increase the capabilities of the Group's existing warehouse business. At present, AOTGA is a sole airport and passenger ground handling service provider at Don Mueang Airport and Phuket Airport and provides warehouse services in Phuket Airport with a service area of 697 square meters. Meanwhile AOTGA has introduced cleaning services for 6 airports under AOT's supervision.

Table 1: Summary of business types in air freight business

Item	Company	Type of Business	Registered Capital
1.	Triple i Air Express Co., Ltd. (TAX)	Domestic and international air freight forwarding service	50,000,000 baht
2.	Triple i International Pte. Ltd. (TIL)	General sales agent for airlines	100,000 Singapore dollar
3.	Asia Network International Co., Ltd. (ANI)	General sales agent for airlines	505,813,900 baht
4.	Asia Ground Service Co., Ltd. (AGS)	Airport ground and passenger handling service	50,000,000 baht
5.	SAL Group (Thailand) Co., Ltd. (SAL)	Airport ground and passenger handling service	672,200,000 baht

2. Sea Freight and In-land Transport Business

2.1 SHIPPING LINE AGENCIES

The Group operates as a sales agent for shipping lines and provides sea freight services by using container system, Full Container Load (FCL) service by selling freight to target groups such as international freight forwarders (3PL), Common Consolidator, importers and exporters. The Group also provides other services relating to sea freight for shipping lines, including container management and related services such as outsourcing labor for managing containers at the port (Stevedoring) and providing container yard for shipping lines.

At present, the Group acts an agent for CK Line of South Korea. The routes offer sea freight services between North Asian countries and Southeast Asian countries. There are routes available between Thailand and other countries such as Vietnam, China, South Korea, Japan, Hong Kong, Taiwan and Indonesia. Other related services such as container management service at the port and coordination on bringing ships into the port.

In the year 2023, the Company was appointed by its partner as a Box Operator in providing container sea freight services. The destinations include Southern India and the Middle East. The service is expected to commence in the year 2024.

2.2 WORLDWIDE LESS THAN CONTAINER LOAD – LCL SERVICE

The group operates as a global LCL service provider to international freight forwarders through ECU Worldwide (Thailand) Co., Ltd. (ECU). Currently, there are 70 direct service routes from Thailand to countries around the world, both inbound and outbound and continuous transport routes through a network of major seaports of ECU Worldwide which serve as centers for sea distribution to more than 530 destinations, with more than 2,400 direct routes around the world.

2.3   IN-LAND TRANSPORT

• **In-land transport business by tractor trucks**

The container transport is a supplementary business of shipping line agency business, from providing port to port transport service to multimodal transport service. The business focuses on providing inland transport by container system which has been expanded to include customs clearance at the port, transport of the container and Iso Tank from the port to the destination in the country and neighboring countries as required by the customer (Cross Border Service), and domestic transport service by tractor trucks, offering container transport services for both imports and exports, as well as empty container repositioning services for shipping lines. Providing domestic transport services to B2B transport services by flatbed tractors, 6-wheeler vans, 10-wheeler vans, and other special vehicles as required by customers.

• **Rail freight services**

The Group operates local and international rail freight management services, including providing customs clearance services for those who wish to import and export goods via railway.

- Domestic rail freight services. The Group currently provides freight services for paper products through domestic rail freight service, a route from Lat Krabang Station to Sa Kosi Narai Station in Ratchaburi Province.
- International rail freight services by the Company and Sitthi Logistics Laos Co., Ltd., which specializes in international logistics management, particularly rail transportation, in the Lao People's Democratic Republic. Jointly established TSL Logistics Co., Ltd. To develop international rail freight service, which connects rail freight service between China-Laos-Thailand.

Table 2: Summary of business types in sea freight and in-land transport business

Item	Company	Type of Business	Registered Capital
1.	Triple i Maritime Agencies Co., Ltd. (TMA)	• Sales agent for shipping lines • Providing multimodal transportation services • Providing domestic rail transportation services	10,000,000 baht
2.	ECU Worldwide (Thailand) Co., Ltd. (ECU)	Providing international LCL services	5,000,000 baht
3.	CK Line (Thailand) Co., Ltd. (CKT)	Sales agent for shipping lines	5,000,000 baht
4.	TSL Logistics Co., Ltd. (TSL)	Providing international rail transportation services	10,000,000 baht

3.   Logistics Management Business

3.1   INTEGRATED FREIGHT FORWARDING SERVICE

The Group provides international logistics services, including air freight, sea freight, and cross-border including providing inland transport services by trucks to importers and exporters. The services include customs clearance and acting as an agent in handling documents for importers and exporters, and provision of advice on tax benefits. The process of obtaining licenses from various government agencies such as the Food and Drug Administration (FDA) and the Department of Industrial Works (DIW) for customers.

3.2   DOMESTIC LOGISTICS SERVICES

The Group operates a full range of domestic logistics and distribution services, including receipt of goods from factories, seaports or airports to be delivered or stored in warehouses, warehouse rental services, and inventory management services for importers and exporters in a B2B manner. The Group also provides fulfillment and last-mile delivery services to support online business, e-commerce, and social commerce in the form of B2C and C2C. At present, the Group has warehouses and distribution centers with a total area of 3,296 square meters, located in Bangna-Trad Km.19, which is a high potential area for logistics industry in Thailand.

In addition, the Group focuses on developing capabilities to provide comprehensive logistics services to both general customers, e-commerce and social commerce customers. This includes expanding services and investments in both new logistics formats and logistics platforms.

- The Company has invested in Galaxy Venture, a holding company that invests in start-up businesses related to the logistics industry, to develop new forms of logistics services and leverage expertise to enhance services provided by the Group.
- The Company has invested in Makesend Express Company Limited (MAKESEND), which operates a same-day freight service within the country, known as Super Express, to meet the demand for rapid product delivery. In the year 2023, MAKESEND has invested in Airportels International Company Limited (AIRPORTELS), which provides luggage storage and freight services between city areas, to expand product offerings and introduce new services, leveraging existing expertise and proficiency.
- The Company invested in Sabuy Speed Co., Ltd. (SBS), which is Dropped-off business, acting as points of collection for leading logistics companies such as Orange Express, Thailand Post, NINJA, Lazada express, Shopee Xpress, True e-Logistics, and DHL etc., with more than 20,000 branches nationwide.

Table 3: Summary of business types in logistics management business

Item	Company	Type of Business	Registered Capital
1.	Triple i SupplyChain Co., Ltd. (TSC)	Full range of warehousing and domestic distribution services	10,000,000 baht
2.	Cross Border Couriers Co., Ltd. (CBC)	International express air freight services	3,000,000 baht
3.	Galaxy Ventures Co., Ltd. (GV)	Holding company for investment in startups related to logistics business	40,000,000 baht
4.	Makesend Express Co., Ltd. (MAKESEND)	Domestic express freight services	4,000,000 baht
5.	Sabuy Speed Co., Ltd. (SBS)	Domestic parcel collection points services	406,097,560 baht
6.	AZIA24 Pte.,Ltd (AZIA24)	Super express air freight service	100,000 Singapore Dollar

4.   Chemical and Specialty Logistics Business

4.1   HAZARDOUS AND DANGEROUS GOODS LOGISTICS INTEGRATOR

The Group is a leader in providing end-to-end supply chain and dangerous goods and chemicals logistics integrator with a wide range of services as set out below.

- International freight forwarding services of chemicals and dangerous goods by sea and air according to international dangerous goods logistics regulations by sea and air.
- Chemicals and dangerous goods logistics by tank containers (ISO-Tank Container).
- Customs clearance for imports, exports and benefits across areas of customs and others
- Warehousing for Dangerous Goods. At present, there is a special warehouse for chemicals and dangerous goods located in the Frasers Logistics Park on Bangna-Trad Road Km. 39, Chachoengsao Province with a total area of 30,000 square meters. The warehouse can support demands for dangerous goods storage, including ambient storage and airconditioned storage.
- Nationwide Distribution services and Cross Border Transport.
- Logistics services for pharmaceuticals, medical supplies, and clinically controlled temperaturesensitive samples (Specialized Logistics for Time and Temperature Sensitive Goods).
- Training and consultancy services on management of hazardous and dangerous goods.

4.2 DANGEROUS GOODS PACKAGING SOLUTION PROVIDER

The Group distributes dangerous goods packaging and provides dangerous goods packing services used in air freight in accordance with Dangerous Goods Regulations by Air of the International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA). The Group has launched the DG-to-GO service to support an urgent loading of dangerous goods on-site, at factory or business premise, to immediately deliver such dangerous goods to the airport. The Company has developed sales channels for packaging through an online platform on the Company's website.

Table 4: Summary of business types in chemical and dangerous goods logistics business

Item	Company	Type of Business	Registered Capital
1.	Hazchem Logistics Management Co., Ltd. (HLM)	Domestic and international logistics management for chemicals and specialty goods	50,000,000 baht
2.	DG Packaging (Thailand) Co., Ltd. (DGP)	Distributing packaging and providing packing services for chemicals and specialty goods	1,000,000 baht
3.	Hazchem Logistics Management Pte. Ltd. (HLM-SG), Singapore	Integrated logistics services for chemicals and specialty goods	100,000 Singapore dollar
4.	Hazchem Transmanagement Co., Ltd. (HTM)	Domestic inland transport service for chemicals and specialty goods	5,000,000 baht
5.	DG Packaging Pte. Ltd. (DGPS), Singapore	Distributing packaging and providing packing services for chemicals and specialty goods	200,000 Singapore dollar

Revenues from Business Operations of the Group

Business Unit	Revenues (million baht)					
	2021	% of Revenues	2022	% of Revenues	2023	% of Revenues
1. Air freight business	1,639.9	54.43%	1,428.9	48.84%	952.9	51.61%
2. Sea freight and in-land transport business	106.5	3.53%	115.8	3.96%	71.6	3.88%
3. Logistics management business	485.4	16.11%	629.7	21.53%	255.4	13.83%
4. Chemical and specialty goods logistics business	766.0	25.42%	737.9	25.22%	552.7	29.94%
5. Other businesses [1/]	15.0	0.50%	13.1	0.45%	13.7	0.74%
Total revenues [2/]	3,012.8	100.0%	2,925.4	100.00%	1,846.3	100.0%
Total net revenues of connected transactions	2,939.2		2,788.8		1,764.5	

Remarks:

[1/] Other management income consists of personnel transportation charges, and rental and service fees of office buildings.

[2/] Total revenues before deducting connected transactions of the Group.

Details of the Head Office and Warehouses Managed by the Group's Subsidiaries for its Business Operations are as follows:

1. **Head Office**
    Triple i Logistics Public Company Limited
    628 Triple i Building 3rd Floor, Soi Klab Chom, Nonsee Road, Chongnonsee Subdistrict, Yannawa District, Bangkok 10120
    Website: www.iii-logistics.com
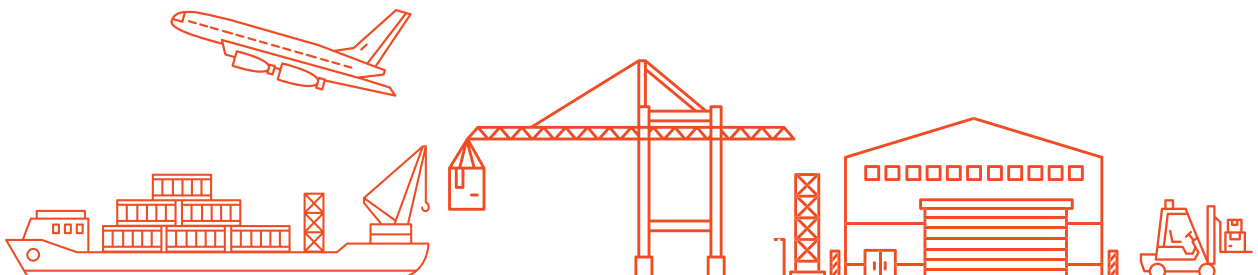
2.   **Don Mueang Airport International Cargo Terminal, Asia Ground Service Co., Ltd. (AGS)**
Address: Cargo Terminal 1, 222 Vibhavadi Rangsit Road, Don Mueang Airport, Bangkok 10210
E-mail: info@asiagroundservice.com
Remarks: – The head office is located at the same location as Triple i Logistics Public Company Limited.
หมายเหตุ : – The head office is located at the same location as Triple i Logistics Public Company Limited.
      – The warehouse is located in Don Mueang International Airport.

3.   **General Warehouse in Samut Prakan, Triple I Supplychain Co., Ltd. (TSC)**
Address: 11/22 Moo 9, Bang Chalong Sub-district, Bang Phli District, Samut Prakan 10540
Website: https://www.iii-supplychain.com
Remarks: The head office is located at the same location as Triple i Logistics Public Company Limited.

4. **Chemical and Dangerous Warehouse in Chacheongsao Province,**
    Hazchem Logistics Management Co., Ltd. (HLM)
    Consisting of Warehouse W1/2, W13, DG2/2, DG2/4-2/5, DG3/1-3/5, DG4/1-4/4, DG5/4 and DG 6/3-6/4
    Address: 88/26, 88/53, 88/56, 88/58-59, 88/60-64, 88/68-71, 88/75 and 70/3-5
    Moo 5, Bangsamak Sub-district, Bang Pakong District, Chacheongsao.
    Website: https://www.hazchemlogistics.com/
    Remarks: - The head office is located at the same location as Triple i Logistics Public Company Limited.
              - The warehouses are in Frasers Property Logistics Park, Bangna-Trad Road Km. 39.

Domestic and International Locations of the Group's Offices

1. Triple i Logistics Public Company Limited (TLG)
2. Triple i Air Express Co., Ltd. (TAX)
3. Asia Network International Co., Ltd. (ANI)
4. Asia Ground Service Co., Ltd. (AGS)
5. SAL Group (Thailand) Co., Ltd. (SAL)
6. Triple i Maritime Agencies Co., Ltd. (TMA)
7. ECU Worldwide (Thailand) Co., Ltd. (ECU)
8. CK Line (Thailand) Co., Ltd. (CKT)
9. TSL Logistics Co., Ltd. (TSL)
10. Triple i SupplyChain Co., Ltd. (TSC)
11. Cross Border Couriers Co., Ltd. (CBC)
12. Galaxy Ventures Co., Ltd. (GV)
13. Makesend Express Co., Ltd. (MAKESEND)
14. Sabuy Speed Co., Ltd. (SBS)
15. HazChem Logistics Management Co., Ltd. (HLM)
16. DG Packaging (Thailand) Co., Ltd. (DGP)
17. HazChem Transmanagement Co., Ltd. (HTM)
18. AZIA 24 Pte.,Ltd (AZIA24)

1. Triple i International Pte., Ltd. (TIL)
2. HazChem Logistics Management Pte., Ltd. (HLM-SG)
3. DG Packaging Pte., Ltd. (DGPS)

Remarks: Additional details about marketing strategies, target groups, industry trend and competition of each business unit can be found at www.iii-logistics.com under the topic "2022 Annual Report (Form 56-1 One Report)."

Significant development in the year 2023

| February | May | May |

Approval on conversion of Asia Network International Co., Ltd. ("ANI") into a public limited company

The Board of Directors' Meeting No. 1/2023 held on 21 February 2023 resolved to approve conversion of Asia Network International Co., Ltd. ("ANI"), in which the Company holds 51.66% of the total paid-up capital, into a public limited company prior to capital increase according to ANI's IPO plan. The meeting also resolved to approve the change of ANI's par value, the first issuance and offering of newly issued ordinary shares of ANI to the public (IPO), and the listing of all ordinary shares of ANI on the Stock Exchange of Thailand. The number of newly issued ordinary shares of ANI offered to the public shall not exceed 554,738,900 shares at a par value of Baht 0.50 per share (after the change of par value), from the existing registered capital of Baht 646,630,550 to the new registered capital of Baht 924,000,000, divided into 1,848,000,000 ordinary shares at a par value of Baht 0.50 per share. Such newly issued ordinary shares shall not exceed 30% of ANI's paid-up capital after the capital increase according to the IPO plan.

Exercise of warrants to purchase newly issued ordinary shares (III-W1) no. 6

On 11 May 2023, there was the sixth and final exercise of III-W1 to convert into 69,055,226 ordinary shares of the Company, resulting in the total amount of proceeds from the conversion of III-W1 of Baht 410,202,644.04. For all six exercises of III-W1, the aggregate number of shares arising from the exercises was 152,279,835 shares and the aggregate amount of proceeds from the conversion of III-W1 was Baht 909,550,298.24.

Dividends payment

The Company paid dividends for the year 2023 to shareholders at the rate of Baht 0.60 per share, totaling Baht 456,206,241.60, consisting of annual dividend payment for the year 2022 on 16 May 2023 at the rate of Baht 0.40 per share, totaling Baht 295,479,157.60, and interim dividend payment on 8 September 2023 at the rate of Baht 0.20 per share, totaling Baht 160,727,084.00.
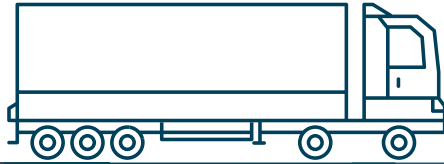
Capital increase in Makesend Express Company Limited (MAKESEND)

The Company increased capital in MAKESEND on 30 June 2023. Through such capital increase, the Company would maintain the existing shareholding of 30%. The newly issued ordinary shares subscribed by the Company was 780,000 shares with a total investment value of Baht 15.60 million.

Share repurchase for financial management (Treasury Stock)

The Board of Directors' Meeting of the Company held on 8 August 2023 resolved to approve share repurchase program (Treasury Stock) in the amount of not exceeding Baht 300 million and the number of shares to be repurchased of not exceeding 25,000,000 million shares or 3.10% of the total issued shares. The share repurchase shall be made through the Stock Exchange of Thailand. The share repurchase program has ended on 10 January 2024. The Company has repurchased a total of 25,000,000 shares, representing 3.10% of the Company's total issued shares, with a total value of Baht 270,745,310.

• The Company received an assessment

The Company received a 5-star rating for the fifth consecutive year from the Corporate Governance Report of Thai Listed Companies 2021 (CGR) project by the Thai Institute of Directors Association, with an assessment score of 95 percent.

• The Company was assessed as a sustainable stock at the BBB level

The Company participated in the sustainable stock assessment in 2023 for the first year, organized by the Stock Exchange of Thailand called "SET ESG Ratings" to assess sustainability performance in the economic aspect, as well as corporate governance, environment, and society aspects (Environmental, Social, and Governance or ESG). Based on the assessment in 2023, Triple i Logistics Public Company Limited is one of the 193 listed companies that passed the selection and announced the results of the sustainable stock assessment with the evaluation result at the BBB level. The Company is committed to continuing to improve itself.

Membership

The Group has joined as a member with various agencies and institutions related to the Group's business operations to create a network of cooperation in the logistics industry and related businesses as follows:

Institutions	
The Thai Chamber of Commerce and Board of Trade of Thailand	TCC
The Federation of Thai Industries	FTI
Thai International Freight Forwarder Association	TIFFA
Thai Private Sector Collective Action Against Corruption: CAC	CAC–IOD
International Air Transport Association	IATA
Thai Airfreight Forwarders Association	TAFA
Thai Authorized Customs Brokers Association	TACBA
Bangkok Shipowners and Agents Association	BSAA
Hazardous Substances Logistics Association	HASLA
Chemical Business Association	CBA
Chemical Industrial Club – The Federation of Thai Industries	CIC
Responsible Care Management Committee of Thailand – Chemical Industrial Club – The Federation of Thai Industries	RCMCT

Sustainable Development

Triple i Logistics Public Company Limited ("the Company") has applied international practices to develop administration guideline and performance in sustainable organizational development as follows:

Practices by International Standards	The Company's Operations
	Triple i publishes a sustainability development report in accordance with the Global Reporting Initiative (GRI) Standards version 2021.
	Triple i supports the Sustainable Development Goals (SDGs) of United Nations by applying it in defining the Company's long-term strategies and goals.
	Triple i applies the international principles of United Nations Global Compact (UNGC) as a guideline for operating business activities with responsibility, covering 4 important areas namely human rights, labor standards, environment protection, and anti-corruption.
	Triple i operates its business in accordance with the UN Guiding Principles on Business and Human Rights (UNGP) and the Universal Declaration of Human Rights (UDHR) as part of its human resources policy and human rights policy.
	Triple i operates its business in accordance with the principles of the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO) as part of its human rights policy.
	Triple i is certified by various organizational quality standards according to the International Organization for Standardization (ISO) to certify the management system and operations of the organization to be the same standard around the world, leading international principles.

Practices by International Standards	The Company's Operations
	Triple i conducts good corporate governance rating of listed companies in Thailand against international standrads.
	Triple i is a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The Company has established a policy and set up an internal control system in line with the risk of corruption in the business in order to comply with the principles of operating a business with honesty, transparency, and fairness under the framework of ethical principles and good corporate governance guidelines.
	Triple i passed the selection and announced the results of the "SET ESG Ratings" at the BBB level from the Stock Exchange of Thailand.

Remark: Triple i means Triple i Logistics Public Company Limited or the "Company".

Driving Business for Sustainability

The Company realizes the importance of good corporate governance and one of the Company's important goals is to strive for sustainable development of the organization. Therefore, the Company has established a sustainable organizational development policy in accordance with the ESG guidelines as a guideline for business operations to develop into a stable and sustainable organization. The policy covers all aspects including economic, social, and environmental aspects.

The Company has established sustainability management policy and goals and adopted sustainable development guidelines as part of determining business direction and organizational strategy, including compliance with laws and regulations related to sustainability issues in all three aspects in line with the Sustainable Development Goals (SDGs) of the United Nations Organization. The guidelines are as follows:
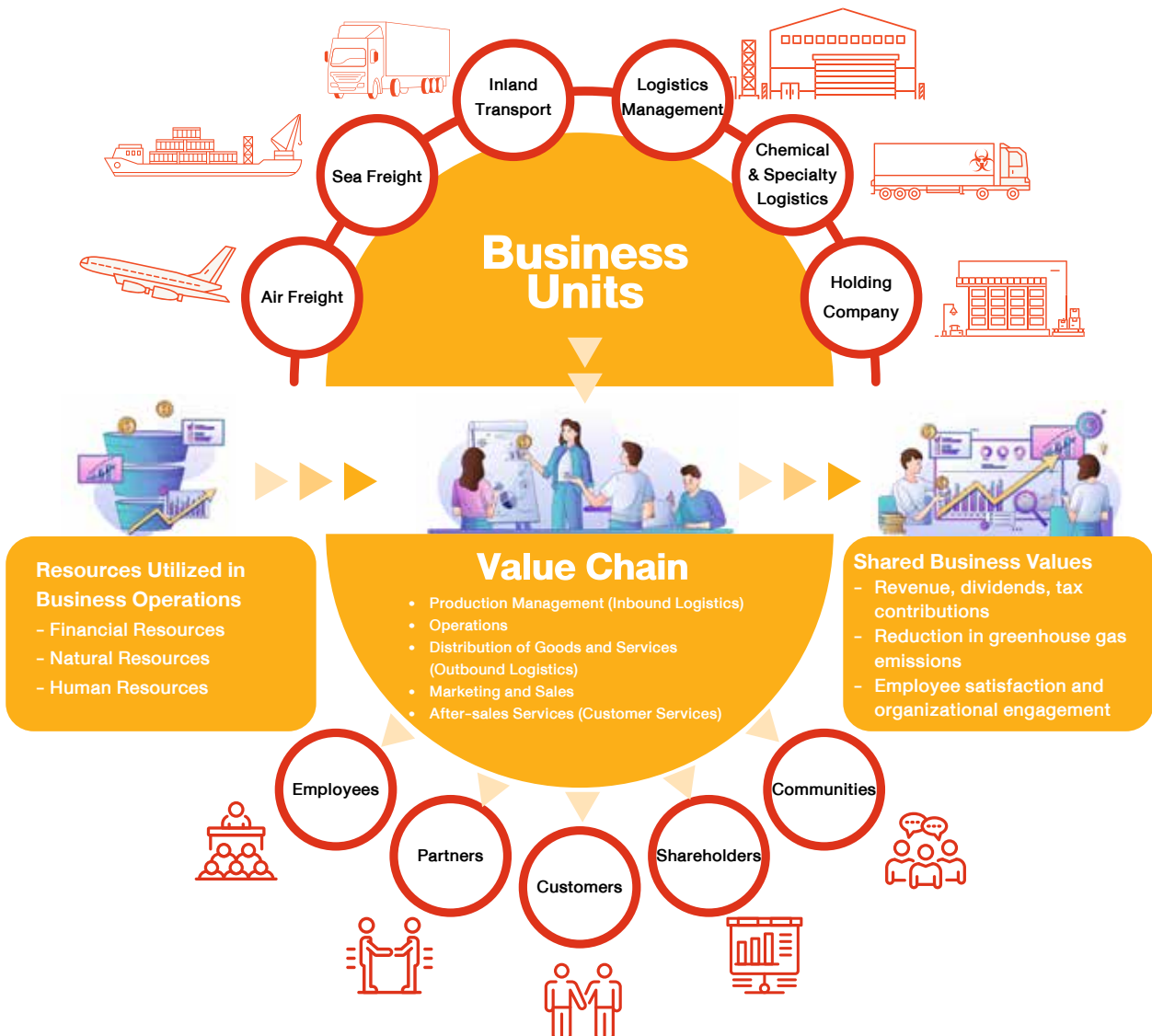
1. Company places importance on implementing sustainable development processes throughout the business chain, as well as promoting and supporting stakeholders throughout the business chain to follow the Company's sustainable development guidelines to create long-term growth of the Company.

2. The Company provides an efficient, transparent, and concise management system by prescribing business ethics, anti-corruption policies, and standardized internal control and internal audit processes to create confidence to the Company's stakeholders.

3. The Company conducts its business with fairness, adhering to the law, and trade terms, fair trade competition and does not take any benefits derived from operations that do not comply with laws and regulations.

4. The Company promotes compliance with human rights principles as recognized and protected by the Constitution of the Kingdom of Thailand, taking into account human dignity, civil liberty, equality of persons, and non-discrimination against persons of different genders, ages, races, religions, skin colors, and beliefs.

5. Company respect labor rights and treats employees with fairness by considering employees as the key factor in creating value and driving the business. The Company shall take care of the working environment, promote a happy workplace, and develop new skills and upgrade the competencies of personnel.

6. The Company places importance on stakeholders and responds equally to the needs of all groups of stakeholders, as well as setting up a channel for receiving opinions, suggestions and complaints from stakeholders.

7. The Company has assessed and prioritized sustainable development issues by considering impacts on the Company and stakeholders, covering economic, environmental, and social issues that stakeholders are interested in and have expectations according to international standards.

8. The Company continuously develops product and service standards to upgrade the business to keep up with world changes. The Company is always ready to adapt to meet stakeholders' expectations and create stakeholder satisfaction.

9. The Company has managed the supply chain to develop potential and efficiency in business operations.

10. The Company places importance on comprehensive risk management in every work process, including sustainability risks, by setting guidelines for managing and continuously monitoring risk management results to increase business opportunities and reduce business losses, along with creating organizational values and culture in accordance with the principles of good corporate governance.

11. The Company will carry out the process of delivering the value of products and services based on the use of resources for maximum benefit in environmental management, including reducing emissions of greenhouse gases generated from production processes, energy conservation in buildings, preservation of water resources, waste management according to the 3Rs principles, and monitoring compliance throughout the business value chain, as well as engaging with other sectors of society in organizing activities to maintain and improve the quality of the environment.

12. The Company places importance on the management of safety, occupational health, and working environment of employees and stakeholders in the business chain of the Group.

13. The Company promotes participation in taking care of communities and society in all sectors during both crisis and normal situations in order to achieve strength and sustainability through supporting activities according to the needs of communities and society, promoting employment, and organizing various community development projects.

Value Chain

The Group recognizes the significance of stakeholder relationships in activities related to business operations, from upstream to downstream. Committed to adding value to products and services to meet the expectations of all stakeholder sectors, the Group has established guidelines to manage the impact on stakeholders within the business value chain. This approach aims to foster sustainable development, ensuring a balance across economic, social, and environmental dimensions throughout the supply chain, thereby maximizing benefits for all stakeholder groups. Activities throughout the value chain are analyzed and categorized as follows:

Primary Activities: these activities encompass 5 core processes in the company's value chain that are interconnected to enable the delivery of product and service value to customers.
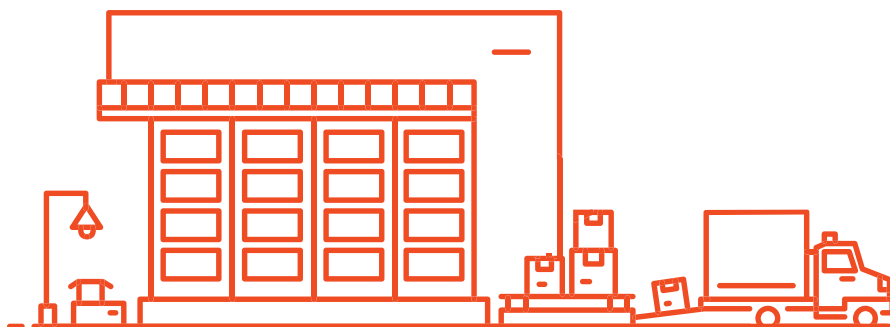
Support Activities: these refer to various units that back the operational processes of the primary activities throughout the value chain, from upstream to downstream.

Business Units

- Inland Transport
- Logistics Management
- Sea Freight
- Chemical & Specialty Logistics
- Air Freight
- Holding Company

Resources Utilized in Business Operations
- Financial Resources
- Natural Resources
- Human Resources

Value Chain
- Production Management (Inbound Logistics)
- Operations
- Distribution of Goods and Services (Outbound Logistics)
- Marketing and Sales
- After-sales Services (Customer Services)

Shared Business Values
- Revenue, dividends, tax contributions
- Reduction in greenhouse gas emissions
- Employee satisfaction and organizational engagement

- Employees
- Partners
- Customers
- Shareholders
- Communities

1. Value Chain of Triple i Logistics Public Company Limited (Holding Company)

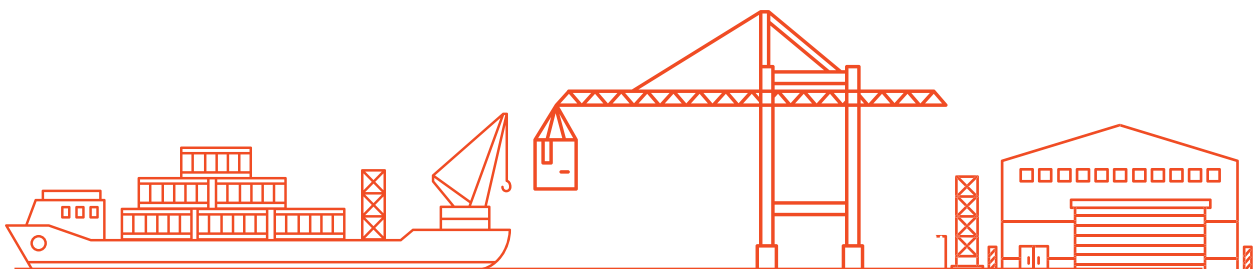| Primary Activities	Related Stakeholders
1. Production Management (Inbound Logistics) • Selecting business partners or companies related to logistics interested in investment or acquisition. • Evaluating projects based on relevance to existing customer needs or new opportunities. • Conducting due diligence on potential partner companies, including background and reliability checks. • Establishing non-disclosure agreements or cooperative agreements.	Shareholders Employees Business Partners
2. Operations • Analyzing business data to assess strengths, weaknesses, opportunities, and income sources, along with risk evaluation. • If applicable, conducting site visits to potential business locations. • Reviewing business operations, nature of business, and financial health. • Performing due diligence. • Assessing the feasibility of new projects. • Evaluating associated risks.	Shareholders Employees Business Partners Communities
3. Distribution of Goods and Services (Outbound Logistics) • Proposing projects to the investment committee for consideration of collaboration forms, such as joint ventures or acquisitions. • Negotiating terms with partners or target companies. • Establishing and agreeing on roles and contractual conditions. • Preparing shareholder agreement documents.	Shareholders Employees Business Partners
4 Marketing and Sales • Presenting projects to the Board of Directors (BOD) for operation approval or for the establishment of new companies.	Shareholders Employees
5. After-sales Service (Customer Services) • Coordinating with related agencies for the establishment of companies or new projects. • Managing internal and external organizational communications. • Continuously monitoring the performance of new businesses or projects. • Aiming to achieve predefined operational goals.	Shareholders Employees Business Partners Customers Media
Support Activities	**Related Stakeholders**
• Accounting and Finance • Procurement • Information Technology Systems • Human Resource Management • Good Corporate Governance • Risk Management • Transportation Safety Management • Investor Relations • Internal Audit	Shareholders Employees Customers Partners Communities

2. Value Chain of Air Freight Business

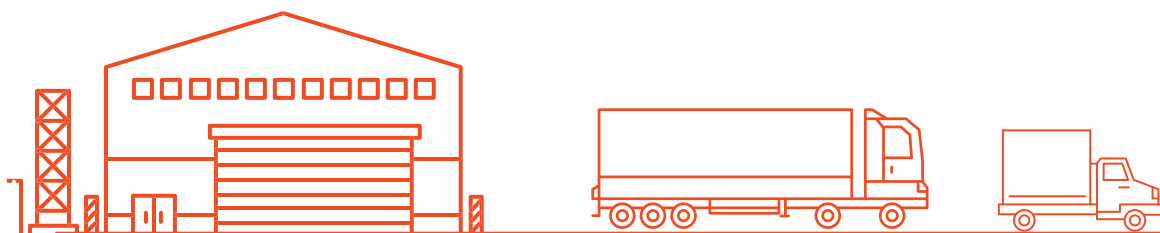| Primary Activities	Related Stakeholders
1. Production Management (Inbound Logistics) • Securing leased spaces for activities within airports • Applying for permission to establish or upgrade warehouse service areas • Becoming a Regulated Agent • Procuring airlines for sales representation in cargo space allocation • Arranging cargo space with service providers to meet customer needs • Implementing information systems	Employees Partners Business Partners
2. Operations • Managing products • Conducting security checks • Booking and securing cargo space with airlines • Preparing and verifying related documents • Receiving and delivering goods from/to customers • Coordinating with airlines/partners	Employees Customers Partners Business Partners
3. Distribution of Goods and Services (Outbound Logistics) • Organizing cargo loading onto aircraft • Submitting data into the customs system • Ensuring timely and quality delivery of products to their destinations	Employees Customers Partners Business Partners Government Agencies
4. Marketing and Sales • Developing a database for both new and existing customers • Planning and pursuing new customer searches and follow-ups • Meeting customer service requirements • Evaluating service provision capabilities • Setting appropriate service pricing • Providing accurate and comprehensive service information • Cultivating customer relationships	Employees Customers Partners Business Partners
5. After-sales Service (Customer Services) • Managing sales interactions with customers • Managing stakeholder relations • Soliciting feedback or suggestions on service delivery • Maintaining post-sales customer relationships • Conducting annual customer satisfaction assessments to enhance service delivery	Employees Customers
Support Activities	**Related Stakeholders**
• Accounting and Finance • Procurement • Information Technology Systems • Human Resource Management • Good Corporate Governance • Risk Management • Transportation Safety Management	Employees Customers Partners Communities

3. Value Chain of Sea Freight Business

Primary Activities	Related Stakeholders
1. Marketing and Sales • Developing a database for both new and existing customers • Planning and pursuing new customer searches and follow-ups • Meeting customer service requirements • Evaluating service provision capabilities • Setting appropriate service pricing • Providing accurate and comprehensive service information • Cultivating customer relationships	Employees Customers Partners Business Partners
2. Production Management (Inbound Logistics) • Initiating business development efforts • Securing suitable transportation service providers • Preparing all necessary documentation • Arranging for freight and additional service charges • Sourcing containers and securing space on ships	Employees Partners Business Partners
3. Operations • Managing bookings from customers and coordinating with related agencies • Overseeing container and vessel operations • Ensuring the accuracy and efficiency of document management	Employees Customers Partners Business Partners
4. Distribution of Goods and Services (Outbound Logistics) • Managing the allocation and organization of space on ships • Ensuring timely sailing operations • Coordinating with origin and destination ports, including liaising with ship captains.	Employees Partners Business Partners Government Agencies
5. After-sales Service (Customer Services) • Conducting follow-ups to assess customer satisfaction after service delivery and managing subsequent bookings • Monitoring transit times and ensuring orderly transportation • Addressing and resolving any issues that arise during transportation (If any) • Performing annual assessments of customer satisfaction to enhance service offerings	Employees Customers Partners Business Partners

Support Activities	Related Stakeholders
• Accounting and Finance • Procurement • Information Technology Systems • Human Resource Management • Good Corporate Governance • Risk Management • Transportation Safety Management	Employees Customers Partners Communities

4. Value Chain of Inland Transport Business

Primary Activities	Related Stakeholders
1. Marketing and Sales • Creating a customer database • Determining appropriate pricing for products and services • Providing of detailed service information • Management of customer relationships	Employees Customers Partners
2. Production Management (Inbound Logistics) • Initiating business development efforts • Securing suitable transportation service providers • Preparation of documents and other service–related fees • Allocating transport vehicles according to customer needs • Planning of the appropriate workforce	Employees Partners Business Partners
3. Operations • Preparing vehicles and scheduling of drivers according to the daily transportation plan • Communicating transport information to customers • Supervising driving employees • Notifying procedures for emergencies or accidents during transportation • Regular inspection of vehicle conditions • Collecting and organizing of documents for expense billing	Employees Customers Partners Communities
4. Distribution of Goods and Services (Outbound Logistics) • Daily inspection of the condition of transport vehicles • Daily evaluation of driver performance • Use of GPS monitoring to track the driving behavior of employees • Timely and quality transportation of goods and services	Employees Partners Government Agencies Communities
5. After–sales Service (Customer Services) • Soliciting feedback or suggestions on service delivery • Management of sales transactions with customers • Coordination with customers for the delivery of goods • Ensuring product insurance and customer satisfaction	Employees Customers Partners

| Support Activities	Related Stakeholders
• Accounting and Finance • Procurement • Information Technology Systems • Human Resource Management • Good Corporate Governance • Risk Management • Transportation Safety Management	Employees Customers Partners Communities

5. Value Chain of Logistics Management Business

Primary Activities	Related Stakeholders
1. Marketing and Sales • Development and maintenance of a database for both existing and new customers • Planning and pursuing new customer searches and follow-ups • Responding to customers' service usage requirements • Evaluating service provision capabilities • Setting appropriate service pricing • Providing accurate and comprehensive service information • Cultivating customer relationships	Employees Customers Partners
2. Production Management (Inbound Logistics) • Initiating business development efforts • Selection of international transportation service providers tailored to customer needs • Managing bookings from customers and coordinating with related agencies • Preparation of documents and other service-related fees • Allocating transport vehicles according to customer needs • Planning of the appropriate workforce	Employees Customers Partners Business Partners
3. Operations • Collaboration with companies within the group for operational efficiency • Arrangement of transportation systems for customers • Communicating transport information to customers • Supervising driving employees • Notifying procedures for emergencies or accidents during transportation • Regular inspection of vehicle conditions • Collecting and organizing of documents for expense billing	Employees Customers Partners Communities
4. Distribution of Goods and Services (Outbound Logistics) • Coordination with various service providers selected to meet customer needs • Documentation related to the management of international shipping services for customers • Liaison between warehouses and customers for the receipt, storage, and dispatch of goods • Supervising driving employees • Notifying procedures for emergencies or accidents during transportation • Regular inspection of vehicle conditions • Collecting and organizing of documents for expense billing	Employees Customers Partners Government Agencies Communities
5. After-sales Service (Customer Services) • Soliciting feedback or suggestions on service delivery • Management of sales transactions with customers • Coordination with customers for the delivery of goods • Provision of product insurance • Conducting annual customer satisfaction assessments to enhance service delivery	Employees Customers Partners
Support Activities	**Related Stakeholders**
• Accounting and Finance • Procurement • Information Technology Systems • Human Resource Management • Good Corporate Governance • Risk Management • Transportation Safety Management	Employees Customers Partners Communities

6. Value Chain of the Chemical and Specialty Logistics Business

Primary Activities	Related Stakeholders
1. Marketing and Sales • Development and maintenance of a database for both existing and new customers • Planning and pursuing new customer searches and follow-ups • Addressing the service requirements of customers • Evaluating service provision capabilities • Setting appropriate service pricing • Providing accurate and comprehensive service information • Cultivating customer relationships • Preparing agreement documents	Employees Customers Partners
2. Production Management (Inbound Logistics) • Initiating business development efforts • Securing transportation service providers aligned with customer needs • Preparation of documents and other service-related fees • Allocating transport vehicles according to customer needs • Planning of the appropriate workforce	Employees Customers Partners Business Partners
3. Operations • Service provision adhering to relevant regulations and laws • Coordination between service providers and customers for both international and domestic shipments • Liaison between warehouses and customers for the receipt, storage, and dispatch of goods • Application and management of chemical possession/storage licenses • Tailoring services to meet specific customer requirements	Employees Customers Partners Communities Government Agencies
4. Distribution of Goods and Services (Outbound Logistics) • Ensuring the quality and timely delivery of goods and services • Effective management of warehouse operations	Employees Customers Partners
5. After–sales Service (Customer Services) • Management of sales transactions with customers • Managing stakeholder relations • Coordination with customers for product delivery • Soliciting feedback or suggestions on service delivery • Maintaining post-sales customer relationships	Employees Customers

Support Activities	Related Stakeholders
• Accounting and Finance • Procurement • Information Technology Systems • Human Resource Management • Good Corporate Governance • Risk Management • Occupational Health and Safety • Service Quality Management System • High Standards of Hygiene • Management Meeting • Internal Quality Control	Employees Customers Partners Communities
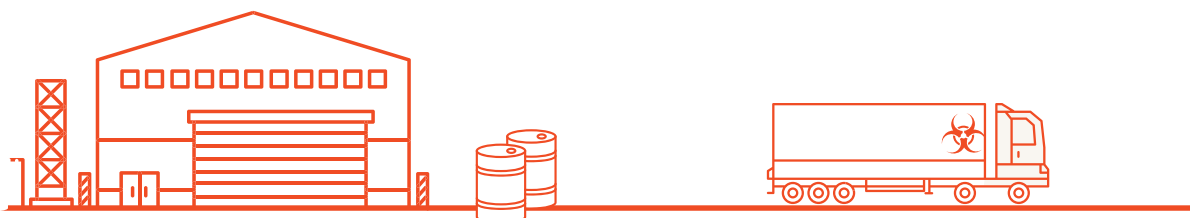
Stakeholder Engagement

The Group prioritizes and fosters engagement with stakeholders, respecting their rights. Thus, it has adopted the guidelines set forth in the GRI Standard 2021 to analyze and identify stakeholders across the business value chain. Stakeholder interests and concerns are incorporated into operational plans and sustainability topics, aiming to meet stakeholders' needs and expectations adequately.

Steps in Stakeholder Analysis

1. **Identification of Stakeholders**
    By evaluating stakeholder relationships relevant to the business operations across the value chain.

2. **Assessment of the Group's Impact on Stakeholders**
    By evaluating both the positive and negative economic, social, and environmental impacts experienced by stakeholders due to the company's operations. This assessment aids in planning and establishing appropriate engagement channels for each stakeholder group.

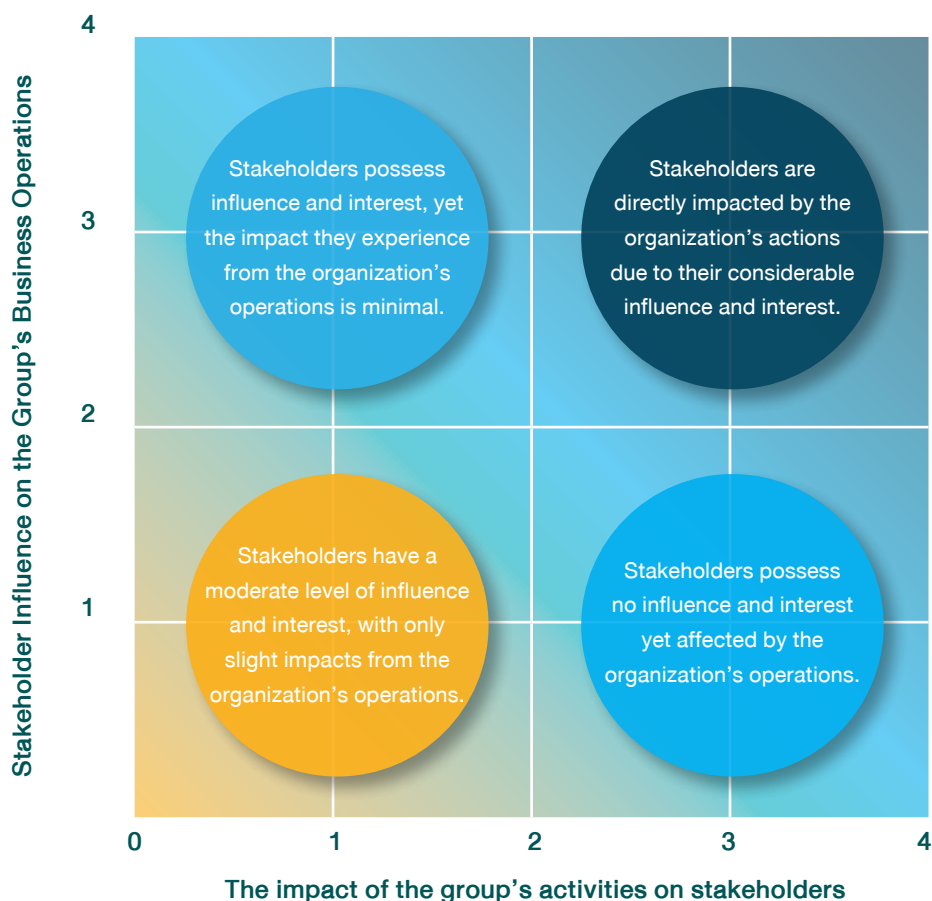3. **Evaluation of Stakeholder Influence on the Group**
    By assessing stakeholders' influence over financial performance, operations, regulatory compliance, image, reputation, safety, and environmental considerations.

4. **Categorization of Stakeholders**
    By determining the importance of stakeholders, considering two main factors:
    -   The influence of stakeholders on the group's business operations.
    -   The impact of the group's activities on stakeholders.

Stakeholders are categorized into 4 groups based on their level of influence on the company and the impact they experience. Prioritizing stakeholders enables the organization to manage issues and stakeholders efficiently according to their significance.

Y-axis: Stakeholder Influence on the Group's Business Operations (0–4)
X-axis: The impact of the group's activities on stakeholders (0–4)

- (Top-left quadrant) Stakeholders possess influence and interest, yet the impact they experience from the organization's operations is minimal.
- (Top-right quadrant) Stakeholders are directly impacted by the organization's actions due to their considerable influence and interest.
- (Bottom-left quadrant) Stakeholders have a moderate level of influence and interest, with only slight impacts from the organization's operations.
- (Bottom-right quadrant) Stakeholders possess no influence and interest yet affected by the organization's operations.

5.   Prioritizing Stakeholders

By identifying appropriate methods of engagement for each stakeholder group, such as conducting interviews or meetings with those most affected and influential.

Working Guidelines with Stakeholders

In 2023, the Group established a sustainability working group composed of personnel from all levels to drive sustainability efforts towards achieving the organization's goals for sustainable business development. The executive team oversees sustainability efforts across various dimensions. This working group has analyzed and assessed the expectations of all stakeholder groups to formulate a sustainability action framework that meets these expectations. Results of these efforts are reported to the Good Corporate Governance and Sustainable Development Committee and acknowledged by the Board of Directors for evaluation and planning for the next year.

In 2023, the Group continued to categorize stakeholders into 10 groups: employees, customers, partners/suppliers, communities, shareholders/investors, business partners, creditors, government agencies and state enterprises, media, and competitors, with the following details:

Stakeholders	Channels for Engagement	Expectations of Stakeholders	Response Strategies
1. Employees	• Internal organizational communication • Regular monthly employee meetings • Company group human resources meetings • Annual surveys on employee satisfaction and organizational commitment • Questionnaires and feedback surveys on employee-related topics • The Company's website • Communication via online media/email • Channels for complaints and feedback	• The direction and performance of the company group • Treatment of employees adhering to human rights principles • Fair compensation, benefits, and entitlements • Job security and career advancement opportunities • Employee development opportunities • Employees' quality of life • A healthy and safe working environment	• Adherence to labor ethics • Equitable treatment of labor in line with human rights policies • Payment of fair wages • Annual assessment of training needs to plan for training and development programs • Creation of Individual Development Plans for employees • Implementation of succession planning to enhance career growth opportunities for potential employees • Incorporation of innovation in work processes to support work quality, occupational health, and safety • Organization of Happy Workplace activities to foster a positive quality of life at work • Provision of annual health check-ups, health insurance, and accident insurance benefits • Providing channels for complaints and feedback
2. Customers	• Annual customer satisfaction surveys • Customer relationship and marketing activities • Meetings and discussions with customers • The Company's website. • Communication via online media/email • Channels for complaints and feedback	• Receipt of high-quality, safe, and timely products and services • Adherence to sales agreements • Equitable and fair treatment of customers • Confidentiality of customer information	• Adherence to business ethics • Equitable and fair treatment of customers • Certification as a member of Thailand's Private Sector Coalition Against Corruption (CAC) and encouraging customers to participate • Delivery of standard-compliant products and services • Seeking international standard certifications, such as ISO 9001:2015 • Development and improvement of product and service quality to meet customer needs • Managing customer data systems for secure personal data storage • Providing channels for complaints and feedback

Stakeholders	Channels for Engagement	Expectations of Stakeholders	Response Strategies
3. Partners/ Suppliers	• Visits and meetings with partners • The Company's website • Communication via online media/email • Channels for complaints and feedback	• Equal treatment of partners • Transparent and fair procurement processes • Collaboration on product and service quality development • Joint business growth	• Following business ethics and procurement policies. • Respecting partners' rights in line with human rights principles. • Certification as a member of the Thai Private Sector Coalition Against Corruption (CAC) and promoting partner participation. • Clear, transparent, and equitable procurement processes. • Establishing strategic collaborations for business enhancement with potential trading partners. • Providing channels for complaints and feedback.
4. Communities	• Community engagement activities • Community surveys • The Company's website • Public notice boards • Channels for complaints and feedback	• Positive relations with the community • Responsible operations towards the community and society • Consideration of environmental impacts from business activities on the community and society • Improvement of community and societal quality of life for sustainable self-reliance • Networking for community and societal development	• Adhering to laws, regulations, and standards relevant to community and societal well-being • Considering community and environmental rights in line with human rights principles • Conducting community surveys to gather needs and feedback • Supporting activities that meet community needs • Initiating social activities. • Enhancing community members' livelihood opportunities • Offering knowledge and standard logistics services to community enterprises • Providing channels for complaints and feedback
5. Shareholders/ Investors	• Shareholders' meetings • Annual and sustainability reports • The Company's website • Telephone and email inquiries via the Investor Relations department • Investor relations activities, e.g., Opportunity Day, Analyst Meetings • Channels for complaints and feedback	• Positive financial performance and continuous business growth • Regular dividend payments to shareholders • Business operations in compliance with laws, regulations, and ethics • Risk management to mitigate impacts on short-term and long-term business operations • Timely access to accurate company information	• Transparent and accurate information disclosure • Business conduct in line with good corporate governance practices • Adhering to regulations, and legal requirements • Commitment to generating sustainable long-term returns • The Group maintains a suitable dividend policy • Providing channels for complaints and feedback
6. Business Partners	• Joint meetings with business partners and investors • The Company's website. • Communication via online media/email • Providing required disclosures and reports	• Business operations in compliance with laws, regulations, and ethics • Cooperation in business development • Continuous collaboration on new business ventures • Development of innovations and technology • Joint business growth	• Adhering to business ethics, regulations, and legal requirements • Enhancing competitive capabilities for economic value creation • Implementing risk management for business continuity • Supporting innovation and technological advancements for business

Stakeholders	Channels for Engagement	Expectations of Stakeholders	Response Strategies
7. Creditors	• Meetings with creditors • The Company's website • Communication via online media/email	• Adherence to loan and bond conditions • Effective risk management	• Adhering to business ethics, regulations, and legal requirements • Economic value creation • Risk management for ongoing business operations
8. Government Agencies and State Enterprises	• Scheduled meetings with public sector entities • Occasional visits and meetings • Providing required disclosures and reports	• Compliance with applicable laws and regulations • Support or participation in public sector projects • Adherence to principles of good governance • Transparent information disclosure	• Operating in line with good governance, business ethics, and anti-corruption policies • Compliance with legal regulations and requirements • Supporting or engaging in public sector projects and activities when appropriate • Managing impacts on stakeholders effectively • Conducting sustainability risk management
9. Media	• Media relations activities, including press conferences, special interviews, and public relations releases • Occasional visits and meetings • The Company's website • Disclosure of required information	• Access to accurate, transparent, and timely news and information • Equal treatment of media outlets • Support for various projects organized by media entities	• Providing accurate, complete, and timely information suitable for use • Adhering to business ethics, regulations, and legal requirements • Ensuring equitable treatment of all media outlets • Supporting projects organized by media entities as appropriate
10. Competitors	• Joint meetings within the industry's related organizations • Collaborating as a network in line with government policies	• Fair competition • Compliance with laws	• Operating under good corporate governance and ethical standards • Compliance with legal regulations and requirements • Engaging in cooperative network activities to advance the logistics industry nationally

Part 2

**SUSTAINABILITY
POLICIES AND
STRATEGIES**

Sustainability Strategy

The Company has integrated the concept of sustainable organizational development as a core principle in its operating process and has interwoven its operating plans to ensure connectivity, aiming to balance the dimensions of the economy, society and the environment throughout the entire business value chain. This approach is designed to deliver maximum benefits to all stakeholders. In 2022, the Group initiated the development of a framework for sustainable development, and in 2023, it undertook a strategic review and defined a plan for sustainable organizational development. This plan is intended to propel the company towards its 2027 goal of fostering competitive business growth in tandem with creating shared value across the business value chain, encompassing environmental, social, economic, and governance developments. This strategy includes 3 key components:

Economic Strategy "Business Resilience"

Focuses on continually evolving and enhancing the Group's business to adapt to global shifts (Mega Trends) and preparing plans to accommodate business changes. This involves a comprehensive framework for economic development and governance, spanning the creation of business opportunities for sustainable growth, aligning business strategies with mega trends, innovating, and leveraging technology to elevate service standards to meet global customer expectations, ensuring customer satisfaction and trust by delivering valuable products and services, managing the supply chain to foster long-term collaborative business potential and efficiency, managing organizational risks including business and sustainability risks, cultivating organizational values and culture based on principles of good corporate governance, and adhering to laws and regulations relevant to sustainability across the entire business value chain.

Environmental Strategy "Value Consumption"

This approach focuses on delivering value through products and services by maximizing resource utilization. It encompasses a wide range of environmental development initiatives, including reducing greenhouse gas emissions, conserving energy and utilizing renewable energy sources, managing environmental impacts, conserving water resources, and applying the 3Rs principles for waste management at the source.

Social Strategy "People Excellence"

This strategy aims to foster engagement with both internal and external stakeholders, grounded in human rights principles. It is committed to comprehensive social development by enhancing skill development and improving the work capacity of human resources. It emphasizes creating a conducive environment for employees' quality of life, considering safety in operational processes and the delivery of products and services. Additionally, it involves active participation in community and societal care in both crisis situations and normal conditions.

Assessment of Key Sustainability Issues

In 2023, the Group conducted an assessment to identify its key sustainability issues, focusing on analyzing impacts on the Group and its stakeholders across environmental, social and economic governance dimensions. This assessment adheres to the Global Reporting Initiative Standards (GRI) guidelines. The outcomes of this critical sustainability issue assessment are annually reviewed and approved by the Corporate Governance and Sustainable Development Committee. The process for identifying significant issues is as follows:

Process for Evaluating Key Issues

1.   Identification of Stakeholders and Organization's Key Issues

The Group analyzed activities across its business operations throughout the entire value chain, including both core and supportive activities, to gather information for assessing the impact on all stakeholder groups. Important issue data was collected based on the needs and expectations of both internal and external stakeholders through suitable communication channels tailored to each stakeholder group. This also included summarizing business-critical issues based on the board of directors' and executives' opinions during various meetings. Topics covered include business strategies, organizational risks, relevant standards and regulations like the United Nations Sustainable Development Goals (UN SDGs) and the opportunities and challenges stemming from global and regional trends that have both positive and negative impacts on the Group's business.

2.   Categorization and Prioritization of Key Issues

The management committee, executives and employees collaboratively analyze and prioritize sustainable development issues within the Group. The considerations include the impact level of the Group's operations on the economy, society and environment and the influence level on stakeholders' assessments and decisions regarding various issues. By following the GRI Standards 2021 guidelines, issues are plotted on the Materiality Matrix table where the horizontal axis (X-axis) reflects the impact level of the Group's operations on the economy, society, and environment, and the vertical axis (Y-axis) shows the level of influence on stakeholders' evaluations and decision-making.

In 2023, the Group reviewed and ranked the sustainability issues according to the sustainable organizational development framework, identifying a total of 14 key issues under the framework of the Group's 3 sustainability strategies.

3.   Review of Key Issues

The Group organized a meeting to collectively approve and prioritize key sustainability issues, attended by senior executives from all business groups with the Group Chief Executive Officer presiding. The session aimed to review and verify the accuracy of key issues and collectively outline approaches for addressing stakeholder concerns in various areas. Subsequent actions were delegated to relevant units, with the establishment of indicators to assess operational outcomes linked to the performance evaluation of executives and related employees.

Key Sustainability Issues of the Group

Sustainability Strategy	Important sustainability issues
Business Resilience **Adapt and enhance business operations to align with global shifts (Mega Trends).**	• Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance • Compliance with Laws Regarding Corporate Governance, Society and the Environment • Creating Business Opportunities for Sustainable Growth • Development of Innovations and Technology to Ensure Efficient Services • Building Confidence and Satisfaction for Customers • Supply Chain Management • Risk Management and Business Continuity Management
Value Consumption **Utilize resources efficiently to maximize benefits.**	• Reducing Greenhouse Gas Emissions • Energy Management • Environmental Management
People Excellence **Enhance the capabilities and skills of human resources while fostering engagement with all stakeholders.**	• Human Resource Management • Human Resource Development • Workplace Safety Management • Community and Social Engagement

Materiality Matrix of the Group for the Years 2023 – 2025

High

| Low Zone | Medium Zone | High Zone |

Important or Influence on Stakeholders

			1	11	10
				2	
		7	6	13	12
			9		
			3	5	4
					14
				8	

Low ——— Important to Triple i or Material impact to ESG ——— **High**
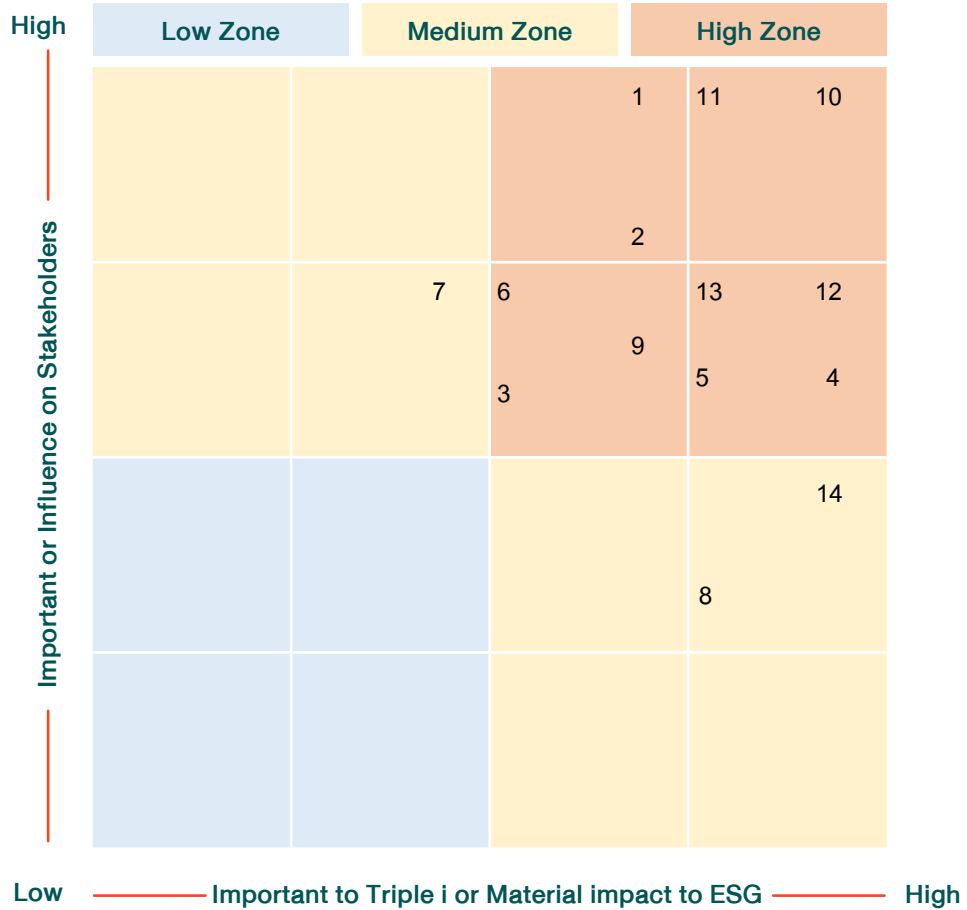
 E – ENVIRONMENT

Value Consumption
1 Reducing Greenhouse Gas Emissions
2 Energy Management
3 Environmental Management

 S – SOCIAL

People Excellence
4 Human Resource Management
5 Human Resource Development
6 Workplace Safety Management
7 Community and Social Engagement

 G – GOVERNANCE

Business Resilience
8 Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance
9 Compliance with Laws Regarding Corporate Governance, Society and the Environment
10 Creating Business Opportunities for Sustainable Growth
11 Development of Innovations and Technology to Ensure Efficient Services
12 Building Confidence and Satisfaction for Customers
13 Supply Chain Management
14 Risk Management and Business Continuity Management

Linking Triple i Logistics' Sustainability Issues with UN SDGs

Key Sustainability Issues	Direct Impact	Indirect Impact
Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance		16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Compliance with Laws Regarding Corporate Governance, Society and the Environment	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Creating Business Opportunities for Sustainable Growth		8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Development of Innovations and Technology to Ensure Efficient Services	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
Building Confidence and Satisfaction for Customers		16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Supply Chain Management	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Risk Management and Business Continuity Management		8 DECENT WORK AND ECONOMIC GROWTH; 11 SUSTAINABLE CITIES AND COMMUNITIES; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Reducing Greenhouse Gas Emissions	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	
Energy Management	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Environmental management	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Human Resource Management	8 DECENT WORK AND ECONOMIC GROWTH	3 GOOD HEALTH AND WELL-BEING
Human Resource Development	8 DECENT WORK AND ECONOMIC GROWTH	3 GOOD HEALTH AND WELL-BEING
Workplace Safety Management	8 DECENT WORK AND ECONOMIC GROWTH	3 GOOD HEALTH AND WELL-BEING
Community and Social Engagement	17 PARTNERSHIPS FOR THE GOALS	3 GOOD HEALTH AND WELL-BEING

Triple i Logistics and Sustainable Development Goals

Sustainability Strategies: Business Resilience

Key Points	Business Importance	Stakeholders	Value Creation for Stakeholders	Goals	Management Approaches
Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance	Transparency, fairness and ethical integrity are crucial mechanisms enabling the company to evolve into a sustainable organization.	• Employees • Customers • Partners • Shareholders/Investors	Instilling confidence among shareholders and all stakeholder groups.	• Achieve a 5-star rating in good corporate governance. • Zero significant corporate governance complaints. • Obtain certification as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC). • Secure certification for sustainable business practices through SET ESG Ratings.	For detailed management approaches, refer to "Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance" on pages 55 – 60
Compliance with Laws Regarding Corporate Governance, Society and the Environment	Compliance with laws, regulations and social, environmental and corporate governance norms is critical for business operations, ensuring licensure for business activities or expansion and preventing adverse impact and potential costs associated with non-compliance.	• Employees • Customers • Partners • Government agencies • Communities and society	Prevents negative impact that could undermine stakeholder confidence in the Group.	• Zero incidents of non-compliance with laws and regulations regarding social, environmental, and corporate governance.	For detailed management approaches, refer to "Compliance with Laws Regarding Corporate Governance, Society and the Environment" on pages 67 – 68
Creating Business Opportunities for Sustainable Growth	Prioritizing business expansion and the development of new logistics services continuously, both domestically and regionally, to generate new revenue streams for the Group and distribute business risks. Aligning with the vision and strategy to become a leader in providing comprehensive logistics services at a regional level.	• Employees • Customers • Partners • Shareholders/Investors • Government agencies • Communities and society	Generates economic value and stability for all related stakeholders.	• Aim for the company's market value to reach at least 20,000 million baht by 2024. • Ensure the dividend payout from net profits is no less than 40% annually. • Distribute economic value to stakeholders at a minimum of 25% of the revenue by 2027, calculated from dividends, payments to partners and sub-contractors (excluding main partners), employee salaries, financial institution fees, government payments and investments in community and social development.	For detailed management approaches, refer to the section "Creating Business Opportunities for Sustainable Growth" on pages 71
Development of Innovations and Technology to Ensure Efficient Services	Encouraging the development of innovations or integrating innovations to improve operational processes enhances the Group's added value and competitive edge.	• Employees • Customers • Partners • Communities and society	• Enhances skills, develops potential, and facilitates necessary learning exchanges for employees, customers, and partners. • Capable of generating societal and environmental value.	• Development of innovations, such as IT system enhancements, to support more efficient operating processes and benefit all stakeholders.	For detailed management approaches, refer to the section "Development of Innovations and Technology to Ensure Efficient Services" on pages 74

Key Points	Business Importance	Stakeholders	Value Creation for Stakeholders	Goals	Management Approaches
Building Confidence and Satisfaction for Customers	Fostering effective customer relationship management customer satisfaction with the group's products and services, enabling long-term customer-based retention and expansion, as well as sustainable sales growth.	• Employees • Customers	• Efficiently meeting the diverse needs of customers and achieving excellent customer satisfaction levels with products and services. • Enhancing organizational trust by delivering internationally standard services.	• Achieving a customer satisfaction level of 90% by 2027 for products and services.	For detailed management approaches, refer to the section "Building Confidence and Satisfaction for Customers" on pages 81 – 85
Supply Chain Management	Prioritizing environmentally friendly procurement and social considerations, along with comprehensive stakeholder engagement, facilitates economic growth coupled with social and environmental development. This approach also offers companies and their partners, including other stakeholders, an opportunity to contribute to societal and environmental betterment, fostering mutual growth and sustainability.	• Employees • Partners • Debtors and Creditors • Competitors	Ensuring confidence among stakeholders through transparent, fair, and accountable procurement activities, while also embracing environmental and social responsibilities.	• Implementing an ESG-principled risk assessment process for Key Suppliers by 2027. • Completing ESG principle-based assessments for Key Suppliers, achieving 100% compliance by 2027.	For detailed management approaches, see the section "Supply Chain Management" on pages 87 – 88
Risk Management and Business Continuity Management	Enabling risk management and business continuity management to plan for sustainable long-term operations, adapt to changes and achieve business goals.	• Employees • Customers • Partners • Shareholders/Investors	Builds confidence among all stakeholders.	• Developing a Business Continuity Plan (BCP) covering all group companies by 2027. • Conducting not less than one practice session per year for business continuity plans, such as fire evacuation drills and disaster recovery site operational drills.	For detailed management approaches, refer to "Risk Management and Business Continuity Management" on pages 91

Sustainability Strategies: Value Consumption

Key Points	Business Importance	Stakeholders	Value Creation for Stakeholders	Goals	Management Approaches
Reducing Greenhouse Gas Emissions	Climate change impacts business operations both directly and indirectly. Thus, the Group emphasizes its role in reducing greenhouse gas emissions to mitigate environmental issues and adapt to climate change, while promoting operating efficiency and long-term business stability.	• Employees • Customers • Partners • Government agencies • Communities and society	The Group's preparations for climate change responses align with the objectives, expectations, regulations and policies set by customers, partners or governmental bodies, thereby fostering stakeholder confidence.	• Reducing corporate greenhouse gas emissions by 5% by 2027, compared to the base year of 2022.	For detailed management approaches, refer to "Reducing Greenhouse Gas Emissions" on pages 103 – 104
Energy Management	Prioritizing efficiency in managing energy, both directly and indirectly, is key to sustainably managing production and service costs.	• Employees • Customers • Partners • Government agencies	Building confidence among all stakeholders.	• Reducing organizational energy consumption by 5% by 2027 compared to the base year of 2022.	For detailed management approaches, refer to "Energy Management" on pages 107
Environmental Management	Efficient, systematic environmental management is critical for the company, helping to reduce costs, mitigate community issues and decrease the risk of negative reputation impact.	• Employees • Customers • Partners • Shareholders/Investors • Government agencies • Communities and society	Building confidence among all stakeholders.	• Achieving an Excellent Green Office certification by 2027.	For detailed management approaches, refer to "Environmental Management" on pages 110 – 111, 113

Sustainability Strategies: People Excellence

Key Sustainability Issues	Business Importance	Stakeholders	Value Creation for Stakeholders	Goals	Management Approaches
Human Resource Management	Employees are pivotal assets for driving the organization towards its objectives. Effective human resource management can mitigate personnel shortages and reduce the costs associated with recruiting new staff.	• Employees	Ensuring a good quality of life and equitable treatment under human rights principles increases employee satisfaction and pride in their association with the organization.	• Employee organizational commitment level to exceed 70% by 2027. • Zero human rights complaints. • Employee turnover rate to be less than 8%.	For detailed management approaches, refer to "Human Resource Management" on pages 121 – 122, 128, 131–135
Human Resource Development	The full spectrum of logistics business operations relies on the specialized knowledge and expertise of its personnel. Thus, the Group emphasizes developing the potential and work skills of employees to provide customers with standard-quality services.	• Employees	On-going development enhances employee proficiency, boosting their career progression and job security opportunities.	• Training hours per employee per year to exceed 40 hours by 2027.	For detailed management approaches, refer to "Human Resource Development" on pages 136 – 141
Workplace Safety Management	Health and safety are crucial indicators of organizational success. Efficient safety management not only builds trust and enhances the organization's image but also helps in cost reduction by minimizing accidents.	• Employees • Partners • Communities and society • Government agencies • Shareholders/Investors	Effective safety risk management reduces the incidence of accidents within operational areas, alleviating stakeholder concerns and strengthening their trust in the company's operations.	• Implementation of an occupational health and safety system across all units within the Group. • Zero Lost Time Injuries Frequency Rate (LTIFR) among employees and partners operating in the Group's facilities.	For detailed management approaches, refer to "Workplace Safety Management" on pages 144 – 147
Community and Social Engagement	Engaging in the enhancement of community and societal well-being fosters acceptance, cooperation and trust in the business operations of the organization, which forms the basis for sustainable success.	• Communities and society • Government agencies • Shareholders/Investors	Communities benefit from improved quality of life through various activities conducted by the Group. This also provides community enterprises with access to knowledge and standardized logistics services, stimulating economic development within the community.	• Implement no fewer than 5 CSR-in-Process projects annually.	For detailed management approaches, refer to "Community and Social Engagement" on pages 154

Part **3**

SUSTAINABILITY
PERFORMANCE

CORPORATE GOVERNANCE AND ECONOMIC PERFORMANCE

Outstanding Corporate Governance and Economic Performances

Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance

- Received a 5-star Corporate Governance Rating (CGR) for the fifth consecutive year.
- Passed the selection and announced the results of the "SET ESG Ratings" at the BBB level.
- There were zero significant corporate governance complaints.
- Establishing a working group on sustainable development (ESG) covering operations in all three dimensions: corporate governance and economic, environmental and social.

Compliance with Laws Regarding Corporate Governance, Society and the Environment

- There were no disputes or convictions or litigation or complaints related to the Group's environmental, social and corporate governance issues.

Creating Business Opportunities for Sustainable Growth

- Excellent business performance to the point of being able to make a net profit of 866.2 million baht, the highest in history, increasing by 70.6 million baht from the previous year.
- Bringing in ANI, a joint venture of the Company, to raise funds, making ANI the first and only airline cargo sales representative on the Stock Exchange of Thailand as planned.

Development of Innovations and Technology to Ensure Efficient Services

- Providing seven innovative projects that promote work processes to be efficient and beneficial to stakeholders.

Building Confidence and Satisfaction for Customers

- Customer satisfaction with the Group's products and services in 2023 was 89.81 percent.

Supply Chain Management

- Creating procurement policies and code of conduct for partners that cover social, environmental and governance issues.

Risk Management and Business Continuity Management

- Organizing training on "Risk Management according to ISO 9001:2015 Quality Management Principles" for all executives and employees, representing 100 percent of the Company's personnel.

Challenges and Opportunities in Corporate Governance and the Economy

Amidst rapid changes arising from emerging business models, platforms, and innovations, several logistics entrepreneurs are turning their attention to employing technology to enhance efficiency in the transportation and logistics system to create competitive opportunities through the reduction of delivery times and enabling entrepreneurs to get their products to market more quickly, thus resulting in higher competition in business operations. Additionally, the world has given increased importance to environmental, social, and governance (ESG) management, which may be due to a number of factors and causes, such as changes and additions to the existing regulatory compliance rules, human rights issues, and climate change.

The Company is, therefore, committed and gives importance to strengthening competitiveness, creating business opportunities, as well as raising good corporate governance standards in response to the stakeholders' expectations in a sustainable manner by establishing organizational values and culture according to the principles of good corporate governance. In addition, the Company's policy intends to include strict compliance with business-related laws along with risk and business continuity management, as well as systematic and efficient supply chain management, promoting the creation of business opportunities and developing innovation and technology to ensure efficient service that can build confidence and satisfaction for its customers.

Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance

The Company is committed to pushing the Company and the Group into becoming an organization that excels in good corporate governance through the establishment of organizational values and culture according to the principles of good corporate governance. This is to enable its personnel at all levels to pursue the same goal and to carry out their duties with transparency, fairness, and good ethics, which is a vital mechanism that drives the Group toward becoming a sustainable organization and builds confidence among shareholders and all groups of stakeholders. In this regard, the Company has chosen to communicate and organize activities to disseminate policies related to corporate governance that are to be practiced throughout the organization, from the level of directors, executives, and employees at all levels, based on the following details:

1. Meetings	• Scheduled Company's executives, subsidiaries, and affiliated companies' meetings. • Monthly meetings of each business unit under the Company's, subsidiaries', and affiliated companies' management.
2. Activities	• Participating in the "Survey of Corporate Governance of Thai Listed Companies," or "Corporate Governance Report of Thai Listed Companies" (CGR) projects. • Company annual party. • CSR activities. • Various internal public relations-related activities.
3. Training	• Orientation training for new employees. • Annual employee training. • Sustainability-related training on the topic of "Organizational Sustainability and Environmental Impact," for directors, executives, and employees. • "Review of the Company's policies and practices" for the year 2023 in the form of online learning for executives and employees.
4. Taking tests	• Require all employees to take an annual test on good corporate governance, and achieve a minimum passing score of 90%.
5. Internal public relations	• "iii Talk," an internal communication channel from the CEO and executives from various departments to employees. • Various public relations signs inside the main office building and warehouse. • Company website (http://www.iii-logistics.com/) • The Company's Facebook page. • Internal emails. • The organization's LINE Group.
6. Creating values within the organization	• Establishing and instilling organizational values (Integration Innovation Intimacy), by specifying it as one of the essential courses in the annual personnel training and development plan. • Creating a manual to define desired or expected behavior that is consistent with the organization's values according to each position, and continue to organize campaign activities to instill organizational values.
7. Reports	• Annual Report (Form 56-1 One Report) • Sustainability Report

Management Guidelines

Good Corporate Governance

Good corporate governance is considered the core of the organization's business operations to which the Company gives great importance. A good and efficient corporate governance system will result in the organization being able to build confidence among its shareholders and related stakeholders, as well as being able to create optimal operating results.

In this regard, the Company has established policies for good corporate governance, anti-fraud and corruption practices, and code of conduct, and has appointed a Good Corporate Governance and Sustainable Development Committee to oversee the Company's operations and ensure that it operates with efficiency, transparency, and is verifiable at all times. Its duty also includes reviewing and improving policies related to corporate governance to ensure that it is always appropriate for the current situation and in line with international practices, laws, and regulations of government agencies and organizations that supervise the Company. The operating results are reported to the Board of Directors.

Organizational Structure

The Company's organizational structure was approved by the Board of Directors on February 21, 2023. It is considered a clear management structure with the necessary checks and balances and can be always audited. It indicates a clear separation of roles, duties, and responsibilities between the Board of Directors and the management. The organizational structure is as shown in the diagram below.

```
                          Board of Directors
                                  |
                          Company Secretary
                                  |
   Investment     Corporate Governance   Nomination and     Audit Committee
   Committee      and Sustainable         Remuneration
                  Development Committee    Committee
                                  |
                                 CEO
                                  |
                          Management Committee
                                  |
                  Risk Management Sub-Committee        Internal Audit
                          |
                  Risk Management Unit
                          |
   New Business      CEO Office        Financial &        Current Business
   Development                         Accounting
      |                  |                  |                  |
   Project 1      Corporate           Financial          Air Freigh
                  Communication                          Business
                  (Marketing & IR)
   Project 2      Human Resource      Accounting         Sea Freight & Inland
                  Development                            Transport Business
   Project 3                          Information and    Logistic Management
                                      Technology         Business
   Project 4                          General Admin      Chemical & Speciality
                                                         Logistics Business
                                      Legal & Compliance
```

Remark : = ⬤ Executive Director
According to Board Resolution, the Effective Date is 21 February 2023

Composition of the Board of Directors

As of December 31, 2023, the Board of Directors is made up of a total of 10 qualified directors, 4 of whom are independent directors, accounting for 40% of the total number of directors, which is not less than one-third of the total number of directors, and 1 director is a woman. The Chairman of the Board is an independent director and does not hold the position of Chief Executive Officer. In addition, the Company's directors are qualified as stipulated by the law, and possess the necessary knowledge, abilities, expertise, skills, and experience appropriate to the logistics business. They play an important role in overseeing the Company's operations that focus on creating the highest benefits for its shareholders, employees, and customers, while also taking into account stakeholders and those involved. The Company also promotes business operations based on good governance principles to ensure that the work processes of the Group's executives and employees are honest, fair, transparent, and verifiable. It also supervises social responsibility, the environment, and climate change.

The Board of Directors has appointed subcommittees that have the scope of authority, duties, and responsibilities that are independent of the Management, as specified in the Company's charter. The subcommittees are tasked with performing their duties responsibly, with caution, honesty, and in accordance with the law, objectives, regulations, and Board resolutions, as well as the resolutions of the shareholders' meeting. Details of the subcommittees' structure consist of the following duties and responsibilities:

Committees	Number of Members	Duties and Responsibilities
1. The Audit Committee	Consists of three independent directors, all of whom possess the necessary qualifications as specified by the SEC, and one independent director who has the knowledge and experience in reviewing financial statements.	• Monitor that the management of the Company is efficient and proceeding in the correct direction, transparent, and can be verified at all times. • Review the reliability of the Company's financial reports and the adequacy of the internal controls, internal audits, risk management, and compliance with the related laws. • Consider related transactions or transactions that may have conflicts of interest. • Review the Company's operations and ensure that it is in accordance with policies and guidelines on anti-fraud and corruption in a concrete manner.
2. The Corporate Governance and Sustainable Development Committee	Consists of three members, and one independent director who holds the position of Chairman.	• Prepare and review good corporate governance policies, code of conduct, work conduct practices, anti-fraud and corruption policies, and sustainable development policies, and ensure that they are in line with the related laws and regulations of government agencies and organizations that are responsible for regulating the Company. • Monitor the performance of executives and employees to ensure that it is in accordance with good corporate governance policies, anti-fraud and corruption policies, as well as sustainable development policies, including reviewing, assessing, reporting performance, and creating awareness among directors, executives, and employees.
3. The Nomination and Remuneration Committee	Consists of three members, two of whom are independent directors, and the Chairman being an independent director.	• Propose the structure, composition, and qualifications of the Board of Directors, various subcommittees, and the Chief Executive Officer. Determine the nomination method, as well as the criteria for remunerations. • Consider the criteria for evaluating the performance of the Chief Executive Officer.

Committees	Number of Members	Duties and Responsibilities
4. The Investment Committee	Consists of six members, two of whom are independent directors, and the Chairman being an independent director.	• Recommend strategic directions for the Company's business development and investment. • Consider and screen various projects and investment opportunities, including options on how to expand the business, both domestically and internationally, that will be in line with the Company's strategy. • Assess risks and consider safeguards against investment risks, in terms of financial, legal, and related regulations. • Supervise investments and managing investment funds to be in accordance with the investment plan, as well as monitoring and assessing implemented investment projects.
5. The Management Committee	Consists of six members, with the Chief Executive Officer being the Chairman.	• Consider and set the Company's and subsidiaries' goals, provide advice on strategic directions, management structure, annual operational plans, Company's and subsidiaries' budget, supervision of social responsibilities, the environment, and climate change. • Monitor the Company's and its subsidiaries' operating results, as well as considering and examining the Company's and its subsidiaries' risk management practices.
6. The Risk Management Sub–Committee	Consists of five members, four of whom are the Management Committee members, with the Chairman being a Management Committee member and a company director.	• Create a risk management policy that covers corporate strategy risks, financial risks, operational risks, and risks that affect the reputation of the business, etc. • Establish strategies that are in line with risk management policies and can be used to assess, monitor, and monitor the organization's risk level to be at an appropriate level. • Review the adequacy of risk management policies and practices, which also includes the effectiveness and compliance with specified policies. • Review and assess risks from operations that may lead toward dishonest acts.

Remarks: Additional details of the names, composition, powers, duties and responsibilities of the Board of Directors and each subcommittee can be found in the 2023 Annual Report (Form 56-1 One Report).

The Board of Directors has determined that directors may hold directorship positions in not more than five listed companies on the Stock Exchange of Thailand and that their tenure as independent directors may not exceed 9 years, except in the case where it is deemed beneficial for the Company.

Diversity of the Board of Directors

The Board of Directors recognizes the benefits of diversity in the structure of the board (Board Diversity), and has, therefore, established a form displaying the overall composition and qualifications (Skills Matrix) to determine the qualifications of directors to be recruited. The matrix takes into consideration the essential skills that are still lacking, including qualifications that are appropriate and consistent with the composition and structure of the directors according to the Company's business strategy plan that does not impose any limitations on gender, age, race, religion, or any other differences. Additional details showing the overall composition and qualifications of the directors can be found in the 2023 Annual Report (Form 56-1 One Report).

Nomination of the Board of Directors

In selecting the Company's Board of Directors, the criteria and process for selecting the Board of Directors take into account the diversity of qualifications which include independence, knowledge and ability, experience, skills, specialization, as well as gender, race, and age, to ensure that the composition of the Company's Board is appropriate for corporate governance and can respond to changes in the global economic, social, and environmental situations that may affect the Company's business growth. The Company has, therefore, determined the composition of the Board's knowledge and expertise (Skills Matrix), which has been discussed in the "Board Diversity" topic, for consideration in selecting desired directors along with other attributes that are appropriate and consistent with the composition and structure of the Board according to the Company's business strategy. Additionally, the Company also uses the Director Pool database of the Thai Institute of Directors Association (IOD) to consider recruiting new directors through a transparent process that is aimed at creating confidence for its shareholders for the maximum benefit to the organization and the needs of the stakeholders.

Code of Conduct and Combating Fraud and Corruption

The Board of Directors has established a code of ethics for conducting business of its Group of companies, for directors, executives, and employees at all levels to adhere to. It aims to make the Group's management and operations transparent, explicit, fair, and efficient, to build confidence and trust among its shareholders, partners, customers, and all relevant groups of stakeholders.

Additionally, the Company's Board of Directors and the Corporate Governance and Sustainable Development Committee have reviewed, followed up, and reported on the results of compliance with the Code of Conduct and related policies annually, such as the anti-fraud and corruption policies, policies and practice guidelines on whistleblowing and whistleblower protection, policies and guidelines on gifts, hospitalities and other benefits, including supporting and promoting the Group of companies to organize training and dissemination of Code of Conduct as a guideline for new employees through orientation sessions, including organizing training to review knowledge and understanding to executives and employees in an online format, as well as taking the related online test annually. (Interested parties can access additional details of the policy at https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download).

In 2021, the Company considered and approved the signing of the declaration of intent to participate in the "Thai Private Sector Collective Action Against Corruption (CAC)" organized by the Thai Institute of Directors Association (IOD) on February 23, 2021, and communicated its participation to all directors, executives, and employees in the Group of companies, to develop an understanding through a training session based on the topic of "Promoting Understanding on Anti-corruption Practices" conducted via a hybrid meeting system that trainees can participate in, both at the Company's training room as well as online, to facilitate employees who are not stationed at the Head Office to participate in the training. The training was conducted on October 29, 2021, and was attended by a total of 124 directors, executives, and employees, or 98% of the entire Group. The Company aims for all its directors, executives, and employees in the Group of companies to acknowledge this intention and has, therefore, incorporated anti-corruption content in its annual training and orientation for new employees from 2021 onwards, so that all employees in the Group of companies can be fully aware and actively participate according to the aforementioned intentions.

Moreover, in 2022, the Company was certified as a member of the Thai Private Sector Coalition Against Corruption (CAC) on March 31, 2022, and has also given importance to expanding the transparent business network to its partner companies by inviting them via email to join the "Thai Pr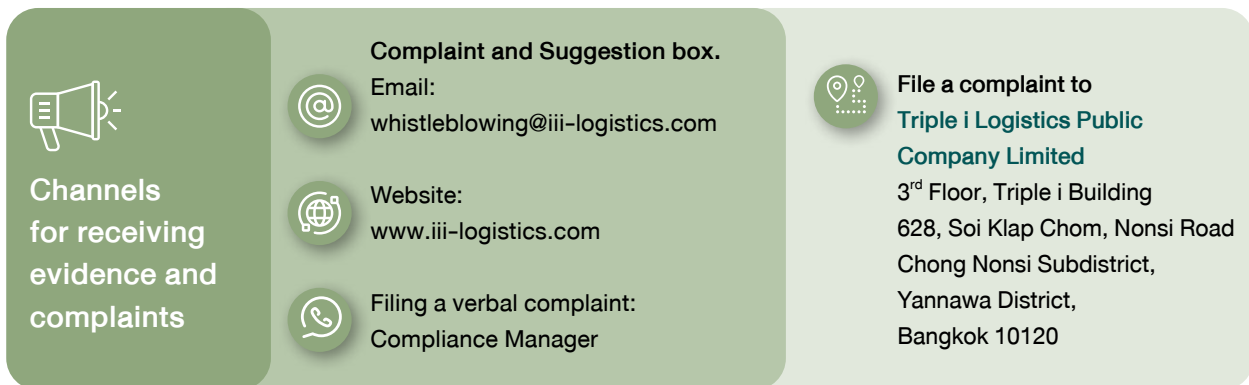ivate Sector Collective Action Against Corruption: CAC" project. In 2023, the Company continued to give its support for organizing various activities to ensure that the Company's personnel at all levels are fully aware of the importance of anti-corruption practices on a regular basis, such as establishing the No Gift Policy campaign, i.e. not accepting or giving gifts, organizing training to review knowledge and understanding regarding anti-corruption practices in the form of online learning in which participants are required to take a take before and after the training. Participation in the training has now been recorded at 100% with 94.90% passing the test. The Company has set a goal for employees at all levels to take the good corporate governance test annually and must achieve a minimum passing score of 90%.

Procedures for reporting evidence and receiving complaints

| Report evidence or file complaints according to the specified channels.* | Consolidate and record such information or complaints, and submit it to the Audit Committee and/or the Corporate Governance and Sustainable Development Committee. | The authorized personnel according to the Authority Manual sets up an investigative committee to find evidence and investigate the matter within the specified period. | The investigative committee reaches a conclusion in cases of actual wrongdoing and reports its findings to the appointed signatories. The Chairman also acknowledges the outcome. | The Head of Internal Audit reports the results of the investigation to the Audit Committee and/or the Corporate Governance and Sustainable Development Committee for acknowledgment according to the specified agenda. |

Remarks: Details regarding the scope and guidelines of the committee, executives, and all employees, as well as all the complaint channels, can be accessed from the Company's website at: https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download/ under the topic of "Anti-Corruption Policies, Reporting Procedures, and Protecting Whistleblowers."

Channels for receiving evidence and complaints

Channels for receiving evidence and complaints

Complaint and Suggestion box.

Email:
whistleblowing@iii-logistics.com

Website:
www.iii-logistics.com

Filing a verbal complaint:
Compliance Manager

File a complaint to
Triple i Logistics Public Company Limited
3rd Floor, Triple i Building
628, Soi Klap Chom, Nonsi Road
Chong Nonsi Subdistrict,
Yannawa District,
Bangkok 10120

In addition, the Company has designated an internal audit unit to be responsible for the supervision, monitoring, and assessment of results, to prevent cases of code of conduct violations and related policies, covering the following three main issues:

1. **Partners and affiliates.** Registration of new partners, fair business deals, appropriate compensation, review or improving the procurement procedures, including ensuring respect for intellectual property.
2. **Shareholders and co-investors.** Providing a return-on-investment, business stability and growth, as well as assessing risks from investments or financial activities to prevent money laundering or the misuse of funds. (Additional details of dividend payments to shareholders can be accessed at "The Company's Dividend Payment Policy", https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download/).
3. **Data security.** Control, inspect, and report, to prevent potential damage from attacks or threats to the organization's information systems, and leakage of corporate data across all activities, including the use of personal data protection policies and computer system and information security policies within the organization. (Additional information can be accessed from the "Computer System and Information Security Policy and Personal Data Protection Policy", https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download/).

Performance

The Company's Board of Directors, executives, and employees at all levels, place great importance on adhering to the principles of good corporate governance, including code of conduct and combating fraud and corruption. In 2023, the Company has recorded significant developments as follows:

Assessment of the Performance of the Committees and the Chief Executive Officer

To provide efficient oversight of the business by the Board of Directors and every committee, every Company director, as well as all subcommittee members, attended more than 75% of each of the committees' meetings that are held during the year in accordance with the Stock Exchange of Thailand's guidelines for sustainable development. Moreover, the Company also requires that the performance of the Board of Directors be evaluated at least once a year, which is a self-assessment of the performance of the entire group and each individual, the results and recommendations of which are then used for further improvement and development. The details can be found in the Form 56-1 One Report, titled "Evaluation of the Board of Directors, Subcommittees, and Chief Executive Officer."

Indicators	Unit	Board of Directors	Audit Committee	Corporate Governance and Sustainable Development Committee	Nomination and Remuneration Committee	Investment Committee	Management Committee	Risk Management Subcommittee
Number of Meetings	Times	7	4	2	2	1	5	2
Meeting Attendance	Percentage	100	100	100	100	100	100	100
Results of The Evaluation of The Committee's Performance	Percentage	100	100	100	100	100	100	100
Results of The Evaluation of Individual Performance	Percentage	100	100	100	100	100	100	99

In addition, the Nomination and Remuneration Committee has been assigned by the Board of Directors to evaluate the performance of the Chief Executive Officer. In 2023, efforts were initiated to improve the consideration of the Chief Executive Officer's performance by adding criteria for evaluating sustainability issues and consisted of matters concerning the environment, society, and governance (ESG), to reflect the Company's commitment and awareness of integrating sustainability issues into its operations. In this matter, the Chief Executive Officer's overall performance was rated as "Excellent" with an average score of 98%.

Developing the Potential of the Company's Directors

The Company intends for its directors to develop knowledge, abilities, and skills in performing their duties by attending training courses that are related to the Company's business operations, as well as on topics such as principles of corporate governance and sustainable development guidelines, which should prove to be beneficial to the performance of their duties. To achieve this objective, directors are encouraged to attend training with the Thai Institute of Directors Association and other related institutions, including inviting experts and consultants to provide knowledge through training, meetings, and presenting other related information that is beneficial to the Company. In 2023, the Company's directors attended the following training courses or participated in seminars:

Course	Institute	No. of Participating Directors
1. Corporate Sustainability and Environmental Impact	Advance Energy Plus Co., Ltd.	10
2. TLCA CFO Professional Development Program (TLCA CFO CPD) No. 1/2023, on the topic of "Economic Update for CFO"	Thai Listed Companies Association	1
3. TLCA CFO Professional Development Program (TLCA CFO CPD) No. 2/2023, on the topic of "Risk Management for CFOs"	Thai Listed Companies Association	1
4. TLCA CFO Professional Development Program (TLCA CFO CPD) No. 3/2023, on the topic of "Financial Technology (Fintech)"	Thai Listed Companies Association	1
5. "3rd Certificate in ESG Management (C-ESG)" 2023	Stock Exchange of Thailand	1
6. "ESG 101"	Stock Exchange of Thailand	1
7. Course for Senior Executives in Administrative Justice, Class 1	Foundation for Research and Development of the Administrative Justice System (FRDA)	1

Reviewing and Revising Policies and the Committee's Charter

In 2023, the Board of Directors conducted a review of its policies of the Committee's charter, operational plans, employee handbook, as well as the charter related to sustainable development (ESG), and agreed to initiate the following improvements and additions:

- Amending the duties and responsibilities of the charter of the Board of Directors and the Management Committee.
- Making improvements to the original policy to be in line with sustainable development guidelines, which include policies on corporate governance, human resource management, sustainable development, and code of conduct.
- Adding policies related to sustainable development operations, which include code of conduct for business partners, policies on procurement, as well as for the environment and climate.

(For interested parties, additional details of the policies can be accessed at https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download).

Adapting the principles of corporate governance for listed companies in 2017.

The Group has given importance to adapt the principles of good corporate governance for listed companies in 2017 (Corporate Governance Code 2017: CG Code 2017) in which the Securities and Exchange Commission (SEC) has established and announced. In 2023, the Corporate Governance and Sustainable Development Committee considered and reviewed the principles of good corporate governance for listed companies in 2017 at the Corporate Governance and Sustainable Development Committee Meeting No. 2/2023 on October 25, 2023, and presented its findings to the Board of Directors to consider and acknowledge.

In 2023, in the Corporate Governance Report of Thai Listed Companies 2021: CGR, assessed by the Thai Institute of Directors Association, assessed the Company to be at the level of 5 stars, with an assessment score of 95%.
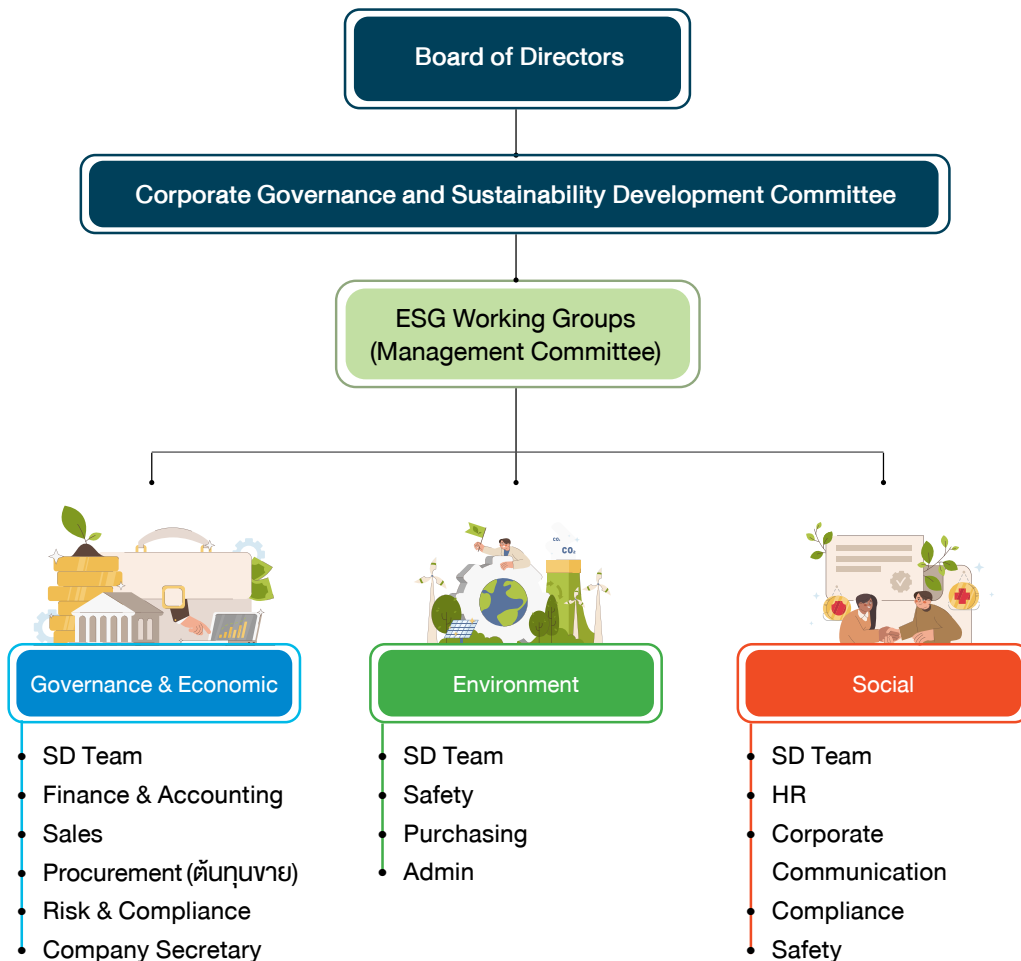
Compliance with good corporate governance principles on other matters.

The Thai Investors Association conducted an AGM Checklist evaluation of the shareholders' meeting to enable listed companies in Thailand to hold shareholder meetings that are comparable to international standards based on various criteria. The evaluation indicated that the Company's 2023 Shareholders' Meeting received an AGM Checklist score of 100 points.

Operations Related to Sustainable Development.

1. The Company participated in the 2023 sustainable stock assessment for the first time, which was organized by the Stock Exchange of Thailand, known as the "SET ESG Ratings." The assessment is conducted to evaluate sustainability performance in terms of the economic aspect, as well as issues regarding corporate governance, environment, and society (ESG). In 2023, Triple i Logistics Public Company Limited was one of the 193 listed companies that passed the selection process and announced the results of the sustainable stock assessment. The evaluation results indicated that the Company is at the BBB level, and is determined to make further improvements to its future ratings.

2. The Board of Directors appointed the Corporate Governance and Sustainable Development Committee to conduct a review and supervise the implementation of sustainable development policies that are consistent with the laws and regulations of government agencies and organizations that are responsible for supervising the Company. In 2023, the Board of Directors and the Corporate Governance and Sustainable Development Committee appointed a working group on sustainable development (ESG) which consists of the Management Committee as head of the working group on all three dimensions, namely the economic and corporate governance dimension, the social dimension, and the environmental dimension. The working group is tasked with driving the following operations:

    1) Study, consolidate work processes, and analyze, in order to integrate work processes to be in line with the organization's sustainability goals.
    2) Draft goals, sustainability issues, and project plans, including monitoring operations and consolidating sustainability report data, to present to the Corporate Governance and Sustainable Development Committee and the Board of Directors for consideration and approval.

In addition, the working group will also consist of employee representatives of the Group in each dimension to participate in driving the issue.

Board of Directors

Corporate Governance and Sustainability Development Committee

ESG Working Groups
(Management Committee)

Governance & Economic	Environment	Social
SD Team	SD Team	SD Team
Finance & Accounting	Safety	HR
Sales	Purchasing	Corporate
Procurement (ต้นทุนขาย)	Admin	Communication
Risk & Compliance		Compliance
Company Secretary		Safety

Roles and Responsibilities of the Working Group in each aspect	
Corporate Governance and Economic Working Group	Support, promote, and communicate the implementation of good corporate governance, effective internal control, risk management, including conducting business in an honest, transparent, responsible manner, and being considerate to all stakeholders, in order to meet the goals and project plans set forth, as well as pushing for innovation that creates economic, social, and environmental value.
Environmental Working Group	Support, promote, and communicate environmental management operations related to reducing environmental impacts, pollution prevention, sustainable use of resources and reducing impacts on climate change, as well as promoting awareness and responsibility for the environment, raising awareness of the impacts of climate change, to employees at all levels to initiate behavioral change toward the efficient use of resources.
Social Working Group	Support, promote, and communicate, to implement operations regarding the care and development of employees' potential in a transparent, impartial, and fair manner, including operations regarding health and safety in the working environment, as well as active participation in communities and society to meet the goals and project plans set forth.

3. The Nomination and Remuneration Committee has recommended that the Board of Directors consider and approve the improvement of the Chief Executive Officer's performance evaluation in the Board of Directors' Meeting No. 6/2023 on November 8, 2023, in order to comply with the sustainable development guidelines of the Stock Exchange of Thailand, which states criteria for evaluating the performance of company leaders that cover sustainability, which includes the following aspects; financial, environmental, social and/or governance (ESG) to reflect an awareness of integrating sustainability issues into the Company's operations.

4. The Group is committed to conducting business sustainably through excellent and transparent operations, with the ultimate goal of creating organizational sustainability for the long-term benefit of its stakeholders throughout the Group's Value Chain, with emphasis on conducting business that displays social responsibility, management practices according to the principles of good corporate governance so as to achieve continued economic growth and being attentive to the environment. In this regard, training on "Organizational Sustainability and Environmental Impact" was organized for the Company's directors, executives, and employees, to be aware of environmental management issues, efficient use of resources, and good climate management, and possess the necessary knowledge and understanding of correctly maintaining data on the organization's greenhouse gas emissions that can lead toward further integration with the sustainable business operations of the Group of companies.

Table summarizing the results of the corporate governance performance and sustainable development.

Results	2021	2022	2023	Target for 2027
Results of the assessment of corporate governance (CGR)	Standard 5 stars	Standard 5 stars	Standard 5 stars	Standard 5 stars
Results of the assessment of the shareholder meetings (AGM Checklist)	100 points	100 points	100 points	100 points
Results of the assessment of sustainability (SET ESG Ratings)	-	-	BBB	AAA
Number of warnings or significant audit results from the internal audit department	None	None	None	None

Compliance with Code of Conduct and Combating Fraud and Corruption.

In 2023, the Company stipulated that all executives and employees of the Group of companies receive training and review their understanding of code of conduct and combating corruption through joint annual training, as well as conducting follow-ups on compliance with code of conduct and combating fraud and corruption.

Awareness and Understanding of CG Policy Re-Training

- CG Policy
- Anti-Fraud and Corruption Policy
- Policy and Guidelines on Gifts, Hospitalities and Other Benefits
- Policy on the Employment of Governance Officials
- Political Neutrality Policy
- Stakeholder Engagement Policy
- Disclosure Policy

Awareness and Understanding of CG Policy Re-Training

Table summarizing the results in creating awareness and understanding of code of conduct.

Code of Conduct	Unit	2021	2022	2023	Target for 2027
1. Executives and employees					
- Training attendants	Percentage	98	100	100	100
- Post-training evaluation score	Percentage	ND	ND	94.90	> 90
2. New employees					
- Training attendants	Percentage	100	100	100	100
- Post-training evaluation score	Percentage	ND	ND	ND	> 90

Remarks: ND as the Company has not yet established a test to assess academic performance before and after the training; therefore, such information is not available.

Table summarizing the overall results in preventing actions or events resulting from code of conduct violations.

Actions or events resulting from code of conduct violations	Unit	2021	2022	2023	Target for 2027
Number of complaints arising from significant violations of code of conduct.					
• Actions that cause health and safety hazards to the community or the environment.	Times	0	0	0	0
• Intentional actions that result in causing damage or loss of benefits to the Company.	Times	0	0	0	0
• Actions that lead toward monopoly and unfair trade competition at a significant level.	Times	0	0	0	0
• Actions that encourage wrongdoings.	Times	0	0	0	0
Number of complaints resolved through the dispute resolution process	**Times**	**0**	**0**	**0**	**0**

Table summarizing the results of the anti-corruption operations.

Issues	Unit	2021	2022	2023	Target for 2027
Proportion of trainees with a passing test score of at least 80%.	Percentage	98	100	100	100
Proportion of inviting important customers and key suppliers to join CAC.	Percentage	100	100	100	100
Proportion of informing key suppliers of the No Gift Policy.	Percentage	100	100	100	100
Number of complaints of wrongdoing that is considered to be corruptive actions at a significant level.	Case	0	0	0	0
Status of the request for the certification of membership to the Thailand Private Sector Collective Action Coalition against Corruption (CAC).	–	Declaration of intent to participate and carry out the requirements of the CAC.	Submit request for CAC certification.	Attain membership to the CAC.	Membership renewal.

Compliance with Laws Regarding Corporate Governance, Society and the Environment

The Group places great importance on conducting its businesses in accordance with all laws related to its business operations, as well as regulations related to social and environmental management that are crucial to obtaining permits to operate or expand its business and avoid any negative consequences that may result in costs resulting from non-compliance. Moreover, the Group's policy is also established to prevent any negative impacts that may affect the confidence of its stakeholders.

Additionally, the Group also places importance on the protection of personal data through the establishment of computer systems and IT security policies, as well as an operations manual that covers IT security, controls on data access, data encryption, including creating physical and environmental security, and prioritizing safety management and information security whether for breaches of personal data or cyber threats against business information or from not being cautious in receiving and sending data within the Company's Group. As such vulnerabilities may affect the reputation and credibility of the organization with its stakeholders. Computer security management is under the responsibility of the Company's IT Department, which is tasked with overseeing the organization's IT operations and communication systems that must be used through various IT devices and providing network security against virus or hacker attacks, controlling access to the server, accessing the organization's network system, such as requesting to use the network, the WiFi network, or the use of VPNs, etc., as well as storing data and managing the database on the server, including the process of restoring the system and database in the event of an emergency.

Management Guidelines

In its effort to manage issues regarding compliance with corporate governance, social and environmental laws, the Company has established an annual operational plan, issued by the Legal and Corporate Governance Department which is tasked with the responsibility for reviewing and monitoring operations to ensure compliance with laws related to the Company's business operations in collaboration with various agencies according to the organization's business chain, including organizing training to provide knowledge to related departments within the Group to possess the necessary knowledge and understanding of new or work-related laws that will lead to the proper and most efficient work performance. In addition, the Company's Legal and Corporate Governance Department has also established a communication channel to inform departments within the Group to be aware of new laws that are related to its business operations to keep abreast of any changes and the current situation.

A summary of the process for monitoring the organization's operations to ensure compliance with the law.

Applying the appropriate technological tools and procedures to protect against threats to the organization's electronic assets plays an important role for the collection, storage, and transfer of data, including smartphone and computer transactions, right up to the network level, and can play a key role in mitigating risks and handling potential attacks. Therefore, it is expected that all of the organization's employees should give top priority and be well-informed and understand the related standards and following laws:

- Computer Crime Act, B.E. 2560
- Cyber Security Act, B.E. 2562
- Personal Data Protection Act, B.E. 2562 (PDPA)
- ISO 27001 Information Security Management System

In this regard, the Group has established procedures to conduct security audits of the network system by the Internal Audit (IA) office to explore for vulnerabilities that may pose a risk and close such gaps, to raise awareness and understanding among every employee. To support such actions, the Group has, therefore, organized supervised learning and training on basic knowledge of personal data protection laws for executives and employees at all levels.

Performance

In 2023, the Group recorded no cases that had a negative impact on the Company's or its subsidiaries' assets with an amount higher than 5% of the shareholders' holding. Additionally, no cases that can be assessed in numbers that has an effect on the Company's or its subsidiaries' business operations at a significant level have been recorded. Also, there were no cases arising from the Company's or its subsidiaries' normal business operations, or any unresolved disputes or any significant fines, that resulted in the Company's or its subsidiaries' being unable to perform its duties to achieve the established goals.

Register of relevant and important laws in 2023, classified by corporate governance, social and environmental (ESG) issues.

Related Issues	Register of Laws Related to Business Operations
Corporate Governance	• Securities and Exchange Act, B.E. 2535 (1992) • Public Limited Companies Act, B.E. 2535 (1992) • Personal Data Protection Act, B.E. 2562 (2019) • Best Practices of Directors of Listed Companies.
Environment	• Principles of Good Corporate Governance for Listed Companies. • Public Health Act, B.E. 2535 (1992) • Ministerial Regulations on General Solid Waste Management Hygiene, B.E. 2560 (2017)
Customers, or the Community	• Factory Act, B.E. 2535 (1992) • Customs Act, B.E. 2560 (2017) • Hazardous Substances Act, B.E. 2535 (1992) • Announcement of the Department of Industrial Works regarding the Manual for the Storage of Chemicals and Hazardous Substances, B.E. 2550 (2007) • Announcement of the Department of Land Transport regarding signs, pictures, and symbols of trucks transporting hazardous substances, B.E. 2555 (2012)
Employees	• Labor Protection Law • Social Security Law • Provident Fund law • Compensation Fund Law • Safety, Occupational Health and Working Environment Laws

Activities related to operating in accordance with the law

Activities	Details
PDPA–related activities	The Group promotes the provision of knowledge regarding personal data protection laws to its employees by providing training sessions, as well as encouraging executives and employees who are directly involved in overseeing personal data protection to participate in training organized by external agencies such as the Stock Exchange of Thailand, etc. Additionally, the Legal and Corporate Governance Department has regularly disseminated knowledge and provided answers to employees' queries, as well as making improvements to the CCTV warning signs so that people entering the premises are well aware that their activities are being recorded by the Company's CCTV security system.
Legal-related activities to enhance employees' potential that are related to the Company's services.	The Legal and Corporate Governance Department together with the Human Resources Department have prepared and distributed legal knowledge materials via email, as well as organized training to educate the Group's employees on a regular basis, to create knowledge and establish an understanding with regard to compliance with work-related laws and regulations, such as laws regarding taxes, international shipping insurance, and regulations of the International Chamber of Commerce (Incoterms), etc.
Triple i Legal Care	Establish a legal and corporate governance department to provide legal services to the Group of companies, conducted through the organization's internal communication channels on the following issues: requesting an examination of contracts/legal documents, legal opinions, documents of the Company's registration, a compilation of various types of contracts, etc.
Compliance with measures to prevent and resolve environmental impacts, as well as monitoring environmental impacts.	The Group is able to adhere to and complies with the specified conditions of the measures for the most part so that the operations of the Group pose a low impact on the nearby environment, which demonstrates its full awareness of the significance of maintaining the environment. In moving forward, work processes and additional measures are also being developed and introduced on a regular basis.

Inland Transit & Carrier Liability & Marine Cargo Insurance Training conducted on March 9, 2023.

Table summarizing the results of operations that comply with the related laws.

Operating Results	Unit	2021	2022	2023	Target for 2027
Number of cases that may have a negative impact on the Company's or its subsidiaries' assets.	Case	0	0	0	0
Number of cases that significantly affect the Company's or its subsidiaries' business operations at a significant level.	Case	0	0	0	0
Number of cases arising from the Company's or its subsidiaries' normal business operations.	Case	0	0	0	0
Number of imposed fines that is of significance.	Times	0	0	0	0

Data Protection and IT Systems

Significant operating results regarding data protection and IT systems, are as follows:
1. Conducted an enhancement of the virtual machine (VM) system in an on-premise manner on August 12, 2023, to ensure higher efficiency to replace the original VM system.
2. Conducted an emergency plan exercise on Wednesday, September 13, 2023, as well as tested the key data storage systems (Disaster Recovery Plan) of the Company's subsidiaries.
3. Conducted a test of the Network Security for Cloud Computing, and the application security of the transportation and delivery systems, which include the vehicle location tracking systems, DTC Network System, etc.
4. Conducted a review of the IT operations manual to keep it current and consistent with changing work practices.

In 2023, the Group did not encounter any cyber security incidents or any other significant incidents of personal data exploitation. In this regard, the organization has taken into account the impact of risk factors and new cyber threats and has, therefore, established a risk assessment process to make improvements to its existing guidelines and prepare a support plan and accompanying investment with regard to IT systems. This is to ensure full protection of its IT security measures that may affect the Group's ability to compete, as well as other significant business opportunities for the next 3-5 years.

Table summarizing the performance of data protection and IT systems.

Key Indicators	Unit	2021	2022	2023	Target for 2027
Number of cyber insecurity incidents.	Times	ND	0	0	0
Number of significant personal data exploitation incidents.	Times	ND	0	0	0

Remarks: ND as no data has been collected and the Company only began tracking and collecting data in 2022.

Creating Business Opportunities for Sustainable Growth

The Group conducts business with a view to creating stability for stakeholders in all related sectors. The Group is also committed to continuously developing new businesses that are consistent with or supporting existing businesses in order to expand the supply chain and increase competitiveness with differentiated services and the ability to meet the needs of diverse customers without focusing only on earning income but also emphasizing participation in the community, society, and stakeholders. The Group believes that true sustainability must come from knowledge exchange and mutual sharing.

Management Guidelines

The Company focuses on business expansion and continuous development of new logistics services both domestically and regionally to provide new sources of income for the Group and diversify business risks to respond with a vision and strategy to be a leader in providing integrated logistics services at the regional level. The Company has invested in various businesses to expand businesses related to logistics to cover logistics needs in all dimensions, a sustainable growth plan under the concept of **"Logistics and Beyond."**

In addition, the Company also has working principles that emphasize responding to employees' work experiences and customer expectations according to the business philosophy in order to create economic value for all stakeholders, such as paying dividends to shareholders, investing in community and social development, and improving the quality of life of employees. Therefore, in order to create stable economic value for stakeholders, the Company focuses on compliance with rules and regulations at the international, national and social levels, for example, paying all taxes or fees to the government sector or local agencies and hiring local workers in order to distribute income to communities surrounding the Group's operating areas. The Company has considered creating economic value in line with each group of stakeholders. The details are as follows:

Stakeholder	Economic benefits received
Business partners and contractors	Operating expenses and other (excluding main business partners)
Employees	Salary, wages and benefits
	Provident Fund Contributions
	Employee development expenses
Financial Institutions	Interests
	Financial expenses
Shareholders	Dividends
Government agencies	Government fees
	Corporate income tax
	Local maintenance tax
	Property tax
	Specific business tax and other taxes
Communities	Budget for corporate social responsibility activities

Performance

The Company places importance on business expansion and new investments related to logistics under the concept of Logistics and Beyond to increase the source of income to diversify business risks and reduce reliance on income from any one source. In the past year, the Company has increased capital in the MAKESEND company for expanding a new business that has specific expertise in providing express delivery services within the country (Super Express Delivery) and expanding new customer base in the B2C group to increase the proportion of revenue from this group of customers instead of focusing on revenue from international services and mainly serving B2B customers as the Company did in the past. In addition, this capital increase is an expansion of new transportation services to support changes in consumer behavior that have higher demands from the growth of the e-Commerce business.

Moreover, the Company is committed to creating sustainable growth through collaboration within the Group, both existing business groups that provide integrated logistics services from upstream to downstream, and expanding to new businesses related to logistics business to create an ecosystem to expand the network of integrated logistics services. In 2023, the Company used its strengths in air cargo services and related businesses by entering into joint ventures with partners such as ANI and AOTGA, resulting in the Company being able to create connection points which led to the creation of an ecosystem, such as connecting and expanding networks, developing new services, and managing costs. Furthermore, the Company also has a business unit that provides fulfillment with expertise, such as Triple i SupplyChain, which has received cooperation from a partner, SABUY SPEED, making it possible to plan for the development of E-Logistics and expanding opportunities from E-Commerce, which is reflected in continuously growing profits.

In 2023, the Company had a net profit of 866.2 million baht, the highest in history, an increase of 70.6 million baht or 8.9 percent from the previous year, despite facing various economic and geopolitical uncertainties. In addition, the Company was also successful in leading ANI to raise funds, making it the first and only airline cargo sales representative on the Stock Exchange of Thailand as planned.

The Company does not focus only on the growth of business numbers. The Company also committed to advancing sustainability by creating economic value for our stakeholders. In 2023, the Company had a total sales income of 1,764.47 million baht. After deducting expenses for the main trading partners, a gross profit of 381.28 million baht remained. When combined with the profit from the business's share of investments, it was 899.41 million baht. The Company distributed economic value to stakeholders (including dividends) totaling 659.50 million baht, thus having a residual economic value of 239.91 million baht.

Economic value creation	Economic value distributed to relevant stakeholders	Unit	2021	2022	2023
Distribution of economic value	Dividends	Million Baht	247.15	391.61	301.62
	Operating costs [1]	Million Baht	96.29	138.35	65.36
	Employee expenses [2]	Million Baht	263.66	255.43	242.23
	Financial costs [3]	Million Baht	28.03	33.66	33.41
	Government expenditures [4]	Million Baht	62.05	76.05	15.86
	Community and social development investments [5]	Million Baht	1.05	1.06	1.02
	Environmental investments [6]	Million Baht	-	-	-
Economic value	**Balance**	**Million Baht**	**41.94**	**339.32**	**239.91**

Remarks:
[1] Consists of expenses for business partners and contractors (excluding main business partners).
[2] Consists of salary, wages, benefits, provident fund contributions and employee development expenses.
[3] Consists of interests and financial expenses.
[4] Consists of government expenditures, corporate income tax, local maintenance tax, property tax, specific business tax and other taxes.
[5] Consists of community development and social responsibility activities expenses
[6] Consists of environmental management expenses.

Performance Summary

	Unit	2021	2022	2023	Target for 2027
Proportion of dividends payment from net profit according to the separate financial statements	Percentage	50.79	83.69	76.78	Not less than 40%

Remark: The rate of dividend payment is subject to cash flow and investment of the Company and its subsidiaries, including legal restrictions and other necessities.

Development of Innovations and Technology to Ensure Efficient Services

The Group recognizes the importance of global-wide technology that has developed in leaps and bounds over the past several years. Therefore, in order to develop work processes that can meet the needs of the Group's stakeholders who are increasingly applying technology to keep up with the evolving global trend, the Group has adapted its business strategy to focus on taking advantage of technology and the digital disruption with the objective to deliver experiences that create sustainable value to its stakeholders in every sector and drive growth for the Group in a sustainable manner.

Management Guidelines

The Group aims to become a leader in integrated logistics management, both domestically and internationally, and deliver experiences that create sustainable value for its stakeholders in every sector. The Group, therefore, places importance on the application of innovation to develop more efficient work processes, while also simultaneously enhancing business opportunities that cover the diverse needs of today's customer groups, and ensure stable and sustainable growth of the core business and related sectors.

In this regard, the Group will focus on the application of technology with the objective to improve or enhance efficiency in the 4 main business groups' work processes to enable integration and linkage of both internal and external data with its trade partners. This is aimed at increasing convenience in accessing information that is necessary for employees to perform their work in a more efficient manner, as well as developing a robust work process from within the organization toward the creation of valuable and differentiated services across all customer groups. Additionally, it should be able to quickly and comprehensively respond to the needs of all stakeholders in the entire value chain. The Company supports and promotes increasing the potential of the Group's employees to possess attitudes and knowledge that are ready to support change that can facilitate the exploration and creation of suitable innovations that can be applied to the organization's development based on sustainable knowledge that can enhance economic benefits along with creating value for society and the environment.

Performance

In 2023, the Group had increasingly applied technology and innovations to its work processes with the objective to support the growth of the core and related businesses, as well as to support the diverse needs across all customer groups to be in line with the following government's 4.0 industry promotion policy:

1.   **The Paperless Project, that requires the EMPEO application for use in Human Resource Management (HRM).**

In 2023, the Company promoted the paperless project by introducing the EMPEO application for use in its Human Resource Management (HRM). In this regard, the application is able to support the functions of HRM activities, such as recording work attendance, leave, withholding tax documents, issuing work certification documents online in which employees can quickly download for use, as well as storing data on the cloud that ensures security measures and which can be used anywhere at any time. It is expected that this pilot application will be expanded to other subsidiaries in the future.

Results and benefits received

Reduce the amount of paper used in the Human Resources department, from **1,563** sheets per year to ▼ **0.**

Reduce work processes from **24** steps to ▼only **5** steps.▲

Enhanced employee satisfaction scores in human resource management in 2023 to a level of **78.40%**, which exceeded the overall target of ▲ **70%.**

2.   **The project to "manage orders from various sales channels through the Zort system".**

Triple i Supply Chain Company Limited (hereinafter referred to as "TSC"), a subsidiary in the logistics management business group, has initiated the "Manage orders from various sales channels through the Zort system" project at the end of 2022 to reduce errors in the preparation of orders-related documents received from the Marketplace channel, with the following details:

Before project implementation	After implementation
1) Purchase orders received from various sales channels, such as Lazada, Shopee, etc., will be sent as an Excel file for product requisitions. This process may cause errors from importing incomplete and incorrect data into the system.	1) The team receives orders from various sales channels through the API from the Zort system. The product requisition information is then automatically sent to the WMS system, which reduces errors in importing data into the system.
2) The customer will receive a pdf file for the labels of each product sales platform. In the past, problems were encountered from mismatching labels leading to wrong deliveries to the customers, as the process is done manually in which the package labelling is mismatched with the picking slip (product packing document).	2) The process significantly helps mitigate labelling errors as the labels for each sales platform are automatically printed and attached to the package without the employees having to manually attach the labels to the shipping documents.

Results and benefits received.

Helps reduce the employees' work steps from **5** to only ▼ **3** steps.

Helps reduce the employees' working time from **4 hours 30 minutes** (per 100 orders/1 person) to only **2 hours 45 minutes** per 1 job.

100% greater accuracy in batching documents for Marketplace orders.

3.   The project to "adjust the format of one A4 paper sheet for multiple orders, to the 1:1 thermal paper."
     TSC has initiated the "Adjust the format of one A4 paper sheet for multiple orders, to a 1:1 thermal paper" project in mid-2023, which was developed on top of the Wave Picking project (implemented in 2020), to increase the speed of managing daily orders and accommodate the increasing volume. Details are as follows:

Before project implementation	After implementation
1) Upon receiving a Wave Picking format order, the employee will have to tear A4-sized paper and separate them according to each order as it contains several orders per 1 sheet of A4.	1) Employees can now place documents into the boxes immediately without the need to waste time tearing paper. 2) From this time-saving work process, has enabled the employees to support more orders.

Results and benefits received.

The new capacity can support up to **5** times the normal order volume. ▼

The previous rate supports **5 seconds/order,** while the new rate supports ▼ **1 second/order**.

4.   The "CRM (Venio)" Project.

Hazchem Logistics Management Company Limited ("HLM"), a subsidiary in the logistics management business group that provides services for transporting and storing dangerous goods, has initiated the "CRM (Venio)" project to help manage its sales and marketing department that will enable it to conduct efficient follow-ups with its customers. Details are as follows:

| Before project implementation	After implementation
1) Customer management activities utilizes the cyber system to store basic customer information, such as address, billing address, contact name, order bookings, and invoice, and is only limited to customers who have already used the service. 2) In terms of sales activities, requires regular follow-ups with employees or wait for a sales meeting to provide an update to the current status. 3) The salesperson makes plans to meet the customer and personally notifies the supervisor. 4) Sales information normally requires the consolidation of information from various sources to analyse sales and marketing activities.	1) For customer management, the platform has the ability to store, update and access customer information at any time, whether regarding either Lead/Prospect/Customer, and the information can be accessed quickly via mobile phone from any location. 2) Sales activity is easily more accessible and can provide reports immediately through any device, such as mobile phones, without having to wait for a sales meeting. 3) The sales team leader is always kept updated on the customer meeting plan of each salesperson and can approve or reject the plan through the system (the team leader will be able to help review the meeting plan and advise as to what additional information is needed to prepare for the meeting). 4) CRM helps reduce complexity and can consolidate information between the sales department and customers for analysis and use it to improve the sales team at all times.

Results and benefits received.

Sales and marketing staff can update information into the system and supervisors can follow up on the information immediately, ensuring accurate and efficient work processes.
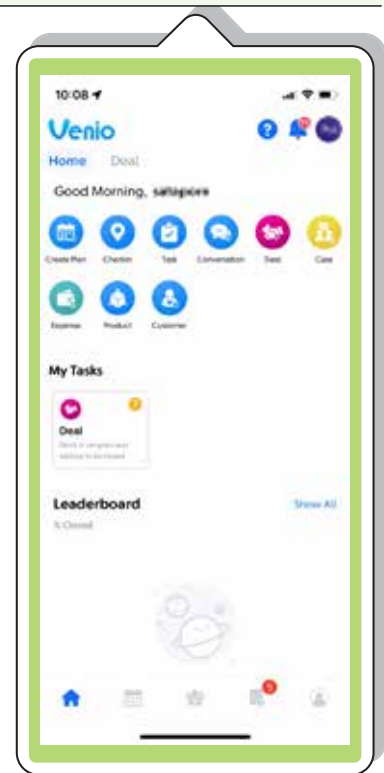
5.   **The project to "change from GPS to Telematics and AI Camera (ADAS and DMS) systems."**

HLM has initiated the "Change of GPS to Telematics and AI Camera (ADAS and DMS) systems" project in 2023, as the original GPS system only tracks the location and is limited to only capturing the location of the transport vehicle and calculating its speed at which it is moving. The Company has, therefore, implemented an improved GPS Telematics system that employs a G Sensor to capture the multi-directional centrifugal force which makes it possible to analyze the driving behavior of transport drivers. Details are as follows:

- Sudden acceleration
- Abrupt braking
- Falling into a hole/approaching a speed bump or bridge violently.
- Making abrupt turns.

Such driving behaviors mentioned above are among some of the main reasons that cause damage to the product during the transportation process. The new platform is also supported by an online AI camera that captures the driving behavior of drivers from the front images of the vehicle and the face expressions of the driver to monitor the following:

Front camera
- Tailgating.
- Straddling traffic lanes.

Driver's camera
- Taking their eyes off the road.
- Dozing off at the wheel.
- Using their mobile phones.

The cameras and GPS will work in tandem with each other and can be used in analyzing the causes that are continuous and interrelated and can potentially lead to an accident and can also be used in studies to prevent risky driving behavior.

Results and benefits received.

Expected to reduce the number of accidents by ▼ **70%**, from the previous record of **10** accidents per year.

6.   The project to "create a pallet management system on the WMS system."

HLM has initiated the project to "Create a pallet management system on the WMS system" since November 2023, that will be used in storing data on both incoming and outgoing pallets, and the remaining inventory of each type of pallet. The platform will enable the Company to be well aware at all times as to how many and what types of the outstanding pallets are still at the customers. Details are as follows:

Before project implementation	After implementation
1. With the help of Excel, employees manage the inventory and types of pallets. Problems are encountered as the system only conducts an overall pallet inventory count and deduction, resulting in the inconsistent number and type of pallets that are currently on hand and that are still outstanding at the customers' site.	1. The pallet management system helps in separating each type of pallet through the use of barcodes, as well as incorporating a process to scan one order at a time to make it easier to control pallets and also results in reducing errors in reporting the available quantities and type pallet as well. The WMS system automatically helps separate and efficiently controls the data. 2. Helps in managing the final pallet stock with the customer, making it known as to how many pallets are outstanding with the customer and how much has been returned. It also enables a clear classification of pallets, making it easy to be aware of the number and type of pallets that are accepted, removed, and remaining in the system, including the outstanding numbers with the customer. Various transactional data and reports can also be viewed through the WMS system at any time.

Results and benefits received.

Ensures accurate work processes and is
▲ **80%** more efficient than working in the original manner.

7. **The project to "terminate the use of digital cameras and replace it with tablets."**

HLM has initiated a project to "terminate the use of digital cameras and replace it with tablets" at the end of 2023 and is continuing until 2024, to meet a variety of work-related needs. Details are as follows:

Before project implementation	After implementation
1. Previously, the use of digital cameras was only to take photos. Then, each evening, an OPS employee would take the camera to the inventory control officer to upload the photos into the computer. Delays frequently occur in getting the camera or not being aware of the camera's whereabouts.	1. Tablets are being considered as replacements as it can be used to take photos, as well as used for other tasks, such as using it to record products' dimensions through an application. Subsequently, all the photos on the tablet can then be automatically synced to a folder on the PC without the OPS employee having to take it to the inventory control officer to upload the photos, which is considered a time-saving process.

Results and benefits received.

Helps in reducing employees' work processes from the original **3** steps (taking photos, uploading and using the photos) to ▼ only **2** steps.
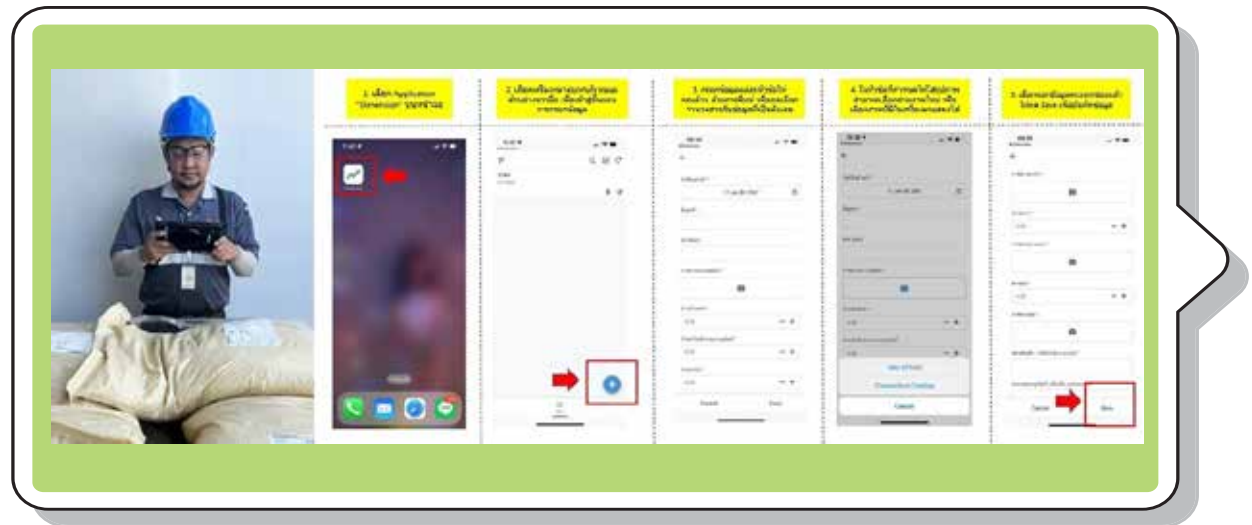
A Summary of the Company's Operating Results

	Unit	2021	2022	2023	Target for 2027
Number of projects for improving work processes.	Project	2	2	7	No less than 4 projects per year (inclusive of all business groups)

Remarks: The number of projects implemented between 2021–2023 consisted of projects that have been prepared according to the context and needs of each subsidiary company. The Group is in the process of preparing plans for organizing the Innovation Day event to promote the potential enhancement of its employees to possess the essential attitudes and knowledge that are ready to support change, as well as to explore and create suitable innovations to apply towards organizational development on the basis of creating a sustainable organization. It is expected to begin operations in 2024.

Building Confidence and Satisfaction for Customers

The development of logistics is growing rapidly in line with Thailand 4.0 National Development Plan, resulting in a new era of logistics management. There is a change in the way of driving work in all activities of the business chain through digital systems by bringing in operating systems and automated processes that help in logistics operations to be more convenient and faster. Big Data is linked to various IT devices to simplify work processes. Artificial intelligence or AI is used to predict operational trends and workloads over time, preparing for handling unexpected events that may affect operations in the logistics industry.

Due to the abovementioned reason, the Group would like to improve and develop work processes through digital systems to support future business expansion and deliver valuable logistics services that meet the needs of various customer groups (Customer-Centric), creating maximum satisfaction for all customer groups and continuous and sustainable business growth.

Management Guidelines

The Group places great importance on being an organization with sustainable development. Therefore, it is committed to complying with regulations, laws or standards related to service quality management, as well as maintaining product and service quality standards and ensuring continuous improvement of the service quality management system. It also focuses on providing services and solutions that meet the needs of various customer groups and the ability to create satisfaction that exceeds expectations and enhance confidence in the organization by delivering services that meet international standards.

The Group has, therefore, assigned responsible departments to conduct a review and prepare operational guidelines to meet the goals of sustainable organizational development which covers the following issues:

Responsibility for transportation and logistics activities by business unit

1.   Air freight business has the following related activities:
- There is a management process that is of international standard with ISO9001: 2015 certification.
- Acting as a freight forwarder who provides product or parcel control and security that are certified by the Civil Aviation Authority of Thailand.
- Obtained an approval to operate warehouse management from the Customs Department and an approval to operate air freight business from the Civil Aviation Authority of Thailand.
- Improving the logistics management process within the Group through Cyber Freight 365 system by connecting back office and front office information, information technology, e-procurement, real-time tracking, one stop service, and intranet etc.
- Creating cooperation in supply chain management such as a joint development of capabilities with trade partner who provides outsourcing services to the Group to increase work process efficiency. The contract is made between the parties and a standard level agreement has been determined by the trade partner.
- Reducing empty transportation, number of delivery cycles and full truck load of products to reduce fuel consumption and use space on the vehicle in the most efficient way (Space Utilization) and meet the needs of customers in terms of time and cost with the most efficiency.
- Providing warehouse management and cargo management for aircraft spaces to maximize efficiency by reducing time, number of flights, and use of vehicle fuel.
- Used products and materials such as plastic sheets or wooden pallets are re-used to reduce the amount of waste or use of products that are more durable, strong and have a longer service life.
- Placing importance on logistics management that affects the environment (Green Logistics Management) with supervision by the Safety Committee and having campaigns on security and keeping work areas in a safe condition and free of environmentally harmful materials.
- Promoting to trade partners measures to maintain truck engines in perfect conditions without exhaust emissions or pollution to the environment (Eco-Drive) such as use of electrical equipment including electric forklift which uses electric charging and reduces oil consumption and exhaust emissions.
- There is a procedure to prevent and handle accidents incurred from transportation of dangerous goods. Dangerous goods handling will be carried out in accordance with the IATA Dangerous Goods Regulations manual and the relevant employees are trained in accordance with the dangerous goods handling standards.

2.   Sea freight and inland transport business has the following related activities:
- Connecting the network system with trade partners, customers, and related persons in the logistics chain to communicate every process, reduce document process and operational errors, and improve efficiency of the work order system etc.
- Having the management process that is of international standards as certified by ISO9001: 2015, creating confidence in the service standards of the Group.
- Creating cooperation in supply chain management such as a joint development of capabilities with trade partner who provides outsourcing services to the Group to increase work process efficiency.
- Reducing empty transportation, number of delivery cycles, and full truck load of products to reduce fuel consumption and use space on the vehicle in the most efficient way (Space Utilization) and meet the needs of customers in terms of time and cost with the most efficiency.
- Increasing the volume of rail transport to reduce costs for customers and increase the volume of transport per trip.
- Placing importance on logistics management in areas that affect the environment (Green Logistics Management).
- Promoting to trade partners measures to maintain truck engines in perfect conditions without exhaust emissions or pollution to the environment (Eco-Drive).

3.   Logistics management business has the following related activities:
- Connecting the network system with trade partners, customers, and related persons in the logistics chain to communicate every process, reduce document process and operational errors, and improve efficiency of the work order system etc.
- Having the management process that is of international standards as certified by ISO9001: 2015 and Quality Standard for Trucking Service, creating confidence in the service standards of the Group.
- Improving the logistics management process within the Group through e-Supply Chain system by connecting back office and front office information, information technology, e-procurement, real-time tracking, one stop service, and intranet etc.

- Creating cooperation in supply chain management such as a joint development of capabilities with trade partner who provides outsourcing services to the Group to increase work process efficiency.
- Products and packaging are re-used to reduce the amount of waste or use of products that are more durable, strong and have a longer service life.
- Placing importance on logistics management in areas that affect the environment (Green Logistics Management).
- Activities of the Group that may affect the environment and community or are sensitive and at risk of social and environmental issues are reviewed. Guidelines for assessing impacts of such activities are determined.

4. **Chemical and specialty logistics business has the following related activities:**
   - Connecting the network system with trade partners, customers, and related persons in the logistics chain to communicate every process, reduce document process and operational errors, and improve efficiency of the work order system etc.
   - Having the management process that is of international standards as certified by ISO9001: 2015, GHP Codex 2020 and Quality Standard for Trucking Service or Q Mark and Eco Vadis, creating confidence in the service standards of the Group.
   - Improving the logistics management process within the Group through e-Supply Chain system by connecting back office and front office information, information technology, e-procurement, real-time tracking, one stop service, inventory management and intranet etc.
   - Creating cooperation in supply chain management such as a joint development of capabilities with trade partner who provides outsourcing services to the Group to increase work process efficiency.
   - Reducing empty transportation, number of delivery cycles, and full truck load of products to reduce fuel consumption and use space on the vehicle in the most efficient way (Space Utilization) and meet the needs of customers in terms of time and cost with the most efficiency.
   - Products and packaging are re-used to reduce the amount of waste or use of products that are more durable, strong and have a longer service life.
   - Placing importance on logistics management in areas that affect the environment (Green Logistics Management).
   - Promoting to trade partners measures to maintain truck engines in perfect conditions without exhaust emissions or pollution to the environment (Eco-Drive).
   - There is a procedure to prevent and handle accidents incurred from transportation of dangerous goods.
   - Activities of the Group that may affect the environment and community or are sensitive and at risk of social and environmental issues are reviewed. Guidelines for assessing impacts of such activities are determined.

Responsibility to consumers/customers by business unit

1. **Air freight business has the following related activities:**
   - Accurate labelling or product information by considering safety of users and their lifestyles and being responsible for consumers, employees, trade partners and other related parties in the supply chain.
   - Building good relationships with customers through the following process:
     - ✓ Communicating with customers with politeness, honesty, and respect, and building customer trust. Setting up a procedure for customers to submit complaints regarding quality and safety of the services.
     - ✓ Providing accurate, sufficient, and up-to-date information about the business and services of the Group without exaggerating claims and offering the best and most suitable logistics options for each customer with fair and reasonable prices.
     - ✓ Regularly listening to customer feedback through informal and formal meetings with customers to understand the needs of each group of customers and use those comments to improve the service quality of the Group.
     - ✓ Collaborating with customers to solve problems and provide advice and take actions on the matters in a timely manner.
     - ✓ Participating in social activities with customers in giving back to the society as appropriate.
   - Delivery of product insurance to build confidence and trust with customers. Quality products and services are delivered on time as agreed. Maintaining standards as a leader in transportation and logistics services with continuous improvements.
   - Maintaining confidentiality of the Company's information and protecting customer information and not wrongfully using customer information for the benefit of oneself or those involved.

   Remark: Please refer to additional details on "Personal Information Protection Policy" https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download

2.   **Sea freight and inland transport business has the following related activities:**

- Building good relationships with customers through the following process:
  - ✓ Communicating with customers with politeness, honesty, and respect, and building customer trust. Setting up a procedure for customers to submit complaints regarding quality and safety of the services.
  - ✓ Providing accurate, sufficient, and up-to-date information about the business and services of the Group without exaggerating claims and offering the best and most suitable logistics options for each customer with fair and reasonable prices.
  - ✓ Regularly listening to customer feedback through informal and formal meetings with customers to understand the needs of each group of customers and use those comments to improve the service quality of the Group.
  - ✓ Collaborating with customers to solve problems and provide advice and take actions on the matters in a timely manner.
  - ✓ Participating in social activities with customers in giving back to the society as appropriate.
- Proposing suitable product insurance as an option to build confidence and trust with customers. Quality products and services are delivered on time as agreed. Maintaining standards as a leader in transportation and logistics services with continuous improvements.
- Maintaining confidentiality of the Group's information and protecting customer information and not wrongfully using customer information for the benefit of oneself or those involved.

Remark: Please refer to additional details on "Personal Information Protection Policy" at https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download

3.   **Logistics management business has the following related activities:**

- Building good relationships with customers through the following process:
  - ✓ Communicating with customers with politeness, honesty, and respect, and building customer trust. Setting up a procedure for customers to submit complaints regarding quality and safety of the services.
  - ✓ Providing accurate, sufficient, and up-to-date information about the business and services of the Group without exaggerating claims and offering the best and most suitable logistics options for each customer with fair and reasonable prices.
  - ✓ Regularly listening to customer feedback through informal and formal meetings with customers to understand the needs of each group of customers and use those comments to improve the service quality of the Group.
  - ✓ Collaborating with customers to solve problems and provide advice and take actions on the matters in a timely manner.
  - ✓ Participating in social activities with customers in giving back to the society as appropriate.
- Proposing suitable product insurance as an option to build confidence and trust with customers. Quality products and services are delivered on time as agreed. Maintaining standards as a leader in transportation and logistics services with continuous improvements.
- Maintaining confidentiality of the Group's information and protecting customer information and not wrongfully using customer information for the benefit of oneself or those involved.

Remark: Please refer to additional details on "Personal Information Protection Policy" at https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download

4.   **Chemical and specialty logistics business has the following related activities:**

- Accurate labelling or product information by considering safety of users and their lifestyles and being responsible for consumers, employees, trade partners and other related parties in the supply chain.
- Building good relationships with customers through the following process:
  - ✓ Communicating with customers with politeness, honesty, and respect, and building customer trust. Setting up a procedure for customers to submit complaints regarding quality and safety of the services.
  - ✓ Providing accurate, sufficient, and up-to-date information about the business and services of the Group without exaggerating claims and offering the best and most suitable logistics options for each customer with fair and reasonable prices.
  - ✓ Regularly listening to customer feedback through informal and formal meetings with customers to understand the needs of each group of customers and use those comments to improve the service quality of the Group.

- ☑ Collaborating with customers to solve problems and provide advice and take actions on the matters in a timely manner.
- ☑ Participating in social activities with customers in giving back to the society as appropriate.
- Delivery of product insurance to build confidence and trust with customers. Quality products and services are delivered on time as agreed. Maintaining standards as a leader in transportation and logistics services with continuous improvements.
- Maintaining confidentiality of the Group's information and protecting customer information and not wrongfully using customer information for the benefit of oneself or those involved.

Remark: Please refer to additional details on "Personal Information Protection Policy" at https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download

In addition, the Group provides channels for receiving complaints arising from operational errors or useful suggestions to improve service quality through the below channels.

Table of contact/complaint channels by business unit

1. Air freight business	1. Via telephone:
	 • Customer Service Department
	  Monday to Friday from 8:30 a.m. - 5:00 p.m. at telephone number 02 681 5888
	 • Customer Service Department (Cargo Terminal),
	  Monday to Friday from 8:30 a.m. - 5:00 p.m. at telephone number 02 504 3823
	2. Via e-Mail:
	 • Customer Service Department: airexport@iii-airexpress.com
	 • Customer Service Department - Cargo Terminal: dmkfa@asiagroundservice.com, dmkfci@asiagroundservice.com
	3. Through sending customer satisfaction survey to the annual service

2. Sea freight and inland transport business	1. Via telephone: Customer Service Department, Monday to Friday from 8:30 a.m. - 5:00 p.m. at telephone number 02 681 8988 2. Via e-Mail: cs_out@iii-maritime.com 3. Through sending customer satisfaction survey to the annual service

3. Logistics management business	• **Triple i Logistics Public Company Limited**
	 1. Via telephone: Customer Service Department,
	  Monday to Friday from 8:00 a.m. - 5:00 p.m. at telephone number 02 681 8700
	 2. Through sending customer satisfaction survey to the annual service
	• **Triple i Supplychain Co., Ltd.**
	 1. Via telephone: Monday to Saturday from 8:00 a.m. - 5:00 p.m.
	  at telephone number 02 681 3722-5
	 2. Via e-mail: info@iii-supplychain.com
	 3. Via website: https://www.iii-supplychain.com/
	 4. Through sending customer satisfaction survey to the annual service

4. Chemical and specialty logistics business	1. Via telephone: Monday to Friday from 08:30 a.m. - 5:00 p.m. at telephone number 02 681 8000 2. Via e-Mail: info@hazchemlogistics.com, info@dg-packaging.co.th, info@hazchemtrans.com 3. Via websites: https://www.hazchemlogistics.com and www.dg-packaging.com 4. Through sending customer satisfaction survey to the annual service

Performance

As the Group operates a business that is related to providing services, therefore, it is important to develop the potential of its employees and work processes to be as efficient as possible. In this regard, in 2023, the Group has used the information obtained from the satisfaction survey and customer feedback received through various channels in 2022 and integrated it into its training courses to enhance its employees' skills and knowledge with the objective of creating confidence and satisfaction for its customers. The development of its employees' potential can be classified into 2 main areas, as follows:

1.   The development of work processes is conducted through various training courses, such as basic knowledge about logistics and supply chains, knowledge of international trading conditions, marine and shipping insurance, techniques for resolving issues and making work-related decisions, making continuous improvement of work processes (the KAIZEN principle), development of mindset and innovations, etc.

2.   The development of communication processes is conducted through various training courses such as English for Logistics Business, sales and service psychology, effective communication, personality development for sales and service, techniques for closing sales in the logistics business, etc.

From the above initiatives, it was revealed that in 2023, all customer complaints were resolved within the specified time which achieved the established annual target set. Moreover, no complaints of any legally significant level were recorded that were related to issues regarding customer privacy and safety or environmental impacts, as a result of the Group's services. Consequently, the results of the customers' satisfaction with the Group's products and services were recorded at 89.81%, which is an increase from 2022.

Table summarizing the results of operations in building confidence and satisfaction for customers.

	Unit	2021	2022	2023	Target for 2027
Number of complaints regarding customer privacy issues.	Times	0	0	0	0
Number of complaints regarding safety or environmental impacts resulting from deliveries.	Times	0	0	0	0
Customer satisfaction level with the Group products and services	**Percentage**	**88.67**	**88.95**	**89.81**	**More than 90%**

Supply Chain Management

In the provision of the Company's comprehensive logistical services, the goal is not only to be the leader in shipping services, both domestically and globally, but also to offer services that cover warehouse management and product distribution in every route that can support growth collaboratively with the Company's partners in the corporate business chain. It is also committed to continuously developing new businesses that are consistent with or support existing businesses, as well as expanding on the existing supply chain and increasing competitiveness with different types of services, including being able to continue to meet the needs of various customer groups.

Management Guidelines

The Group has laid out a supply chain management strategy that places importance on growing together with its trading partners by promoting the use of resources in a socially responsible and environmentally friendly manner and has established an operational plan for its supply chain management, as follows:

Table Summarizing the Supply Chain Management Operating Plan

Preparation Period (2022)	Standard Development Period (2023)	Readiness Period (2024–2026)	Operating Period (2027 onwards)
• Study and analyze risks in the supply chain regarding the assessment of key suppliers. • Review and draft appropriate criteria for group suppliers and conduct assessments to identify key suppliers. • Study and draft sustainability risk assessment guidelines for suppliers, including a supplier assessment form. • Draft a communication process that is appropriate for all groups of the Group's suppliers.	• Create a procurement policy and code of conduct for partners that cover social, environmental, and governance issues. • Establish appropriate criteria for grouping and conduct assessments to identify key suppliers. • Create a sustainability risk assessment manual for suppliers. • Establish a communication process that is appropriate for all groups of the Group's suppliers.	• Promote knowledge and understanding of the code of conduct of partners to employees and related departments of the Group, to ensure effective assessments of the suppliers. • Analyze and evaluate risks of key suppliers and rank potential risks and opportunities according to the level of criticalness. • Assess and consider shortlisting key suppliers with high risks in order to plan risk mitigation measures.	• Conduct annual visits to assess key suppliers. • Develop personnel potential and manage relationships with suppliers by organizing seminars at least once a year. • Encourage all suppliers to demonstrate their commitment to comply with the Group's code of conduct. • Analyze and assess supply chain risks, along with conducting a review of the management of the supply chain strategic plan every 3 years.

Presently, the Group has classified its partners according to the established criteria, as follows:

Key Suppliers (Critical Tier 1 Supplier)	Direct suppliers with annual trading volumes of "high" value and consist of a limited number of suppliers, or suppliers which cannot be replaced, by considering the needs of the Group.
Secondary Suppliers (Non-Critical Tier 1 Supplier)	Direct general suppliers with annual trading volumes of "medium or low" value and whose products or services can be easily found or replaced.
Key Indirect Suppliers (Critical Non-Tier 1 Supplier)	Suppliers who do not trade directly with the Group but through the Group's suppliers, and are selected from a group of suppliers who are suppliers of Critical Tier 1 Suppliers.

Risk Assessment of the Supply Chain Process

Analysis of the Key Suppliers

- Establish a Spending Analysis to group domestic and international key suppliers.
  Assessment Criteria
  - Annual trading volume classified according to domestic and international suppliers.
  - Consist of a limited number of suppliers.

Risk Assessment

- Assess ESG risks of both domestic and international suppliers.
- Identify ESG-related issues that may affect the Group's operations.
- Prioritize potential risks and opportunities according to the level of criticality (high, medium, or low).

Determine risk mitigation measures

- Conduct site visits to suppliers' companies.
- Conduct an audit of suppliers' business operations.
- Establish a process and performance improvement plan

Additionally, the Group has also established supply chain management that covers both creditors and debtors, as well as its business competitors. The management guidelines are as follows:

Creditors and Debtors

The Group will strictly comply with the conditions as it has established with its creditors by ensuring that complete payments are made on time and adhering to the terms of the agreement, including building relationships and treating creditors based on the principles of honesty, reliability and mutual trust. In the event that the Group is unable to repay debts as scheduled, the Group will notify its creditors to jointly find solutions.

The Group has determined an appropriate credit term for each business operation. The credit term depends on each type of the Group's partners, as well as takes into consideration various factors, such as the duration of conducting business together, product type, sales volume, product circulation cycle, product quality and standards. The Group's determination of the credit term period is to be in accordance with the principles of fairness and transparency.

For debtors, the Group, to the best of its ability, has a duty to build relationships and treat debtors based on the principles of honesty, integrity, reliability and mutual trust, as well as being responsible, attentive and giving importance to various conditions that have been established with the debtor.

Business Competitors

The Group will conduct its business according to the rules of fair competition, by not seeking confidential information of business competitors through dishonest or inappropriate means or conduct activities that infringe on the intellectual property rights of others or of its competitors.

Performance

To ensure efficiency in the Group's supply chain management operations, in 2023, the Company established a procurement policy and code of conduct for partners covering social, environmental, and governance issues. The policy is aimed at providing an operational framework for its employees and partners (additional details of the policy can be found at https://investor.iii-logistics.com/en/corporate-governance/cg-report-and-download) and has been communicated to all of the Group's trading partners. This is to ensure that they are all well-informed and fully aware of the code of conduct expected of them. In this regard, the Company has also established a sustainability assessment form in conjunction with the evaluation of the quality of products and services. The procedures for entering the suppliers' names into the vendor list and monitoring process during the year consist of the following steps:

Procedures prior to entering partners into the list.

| Sourcing suppliers through the procurement process | ▶ | Clarifying code of conduct for business partner to the suppliers. | ▶ | Requesting evidence and assessing suppliers on quality and sustainability issues. | ▶ | Including the suppliers into the Vendor List. |

Monitoring process during the year.

| Monitoring suppliers regarding compliance with the code of conduct for business partner. | ▶ | Monitoring suppliers based on quality and sustainability issues. | ▶ | Maintaining the suppliers in the Vendor List. |

Over the past year, the Group has assessed the risks of key suppliers (economic and sustainability) and conducted site visits to 13 business establishments in the chemical and hazardous goods logistics business sector. This is a group in which the Company gives high importance as it may have an impact on society, communities and the environment. In this regard, no significant risk issues were found.

Simultaneously, the Group is also in the process of developing a supplier risk assessment form to cover sustainability operations (ESG) with an increased focus in the environmental and social dimensions. Additionally, it is also expanding its assessment of key suppliers based on ESG principles to achieve 100% by 2027 in accordance with the target set by the Company. The Company also intends to conduct site visits of its suppliers to follow up on their operations. If a key suppliers is considered to be at high risk in terms of ESG, the Group will jointly plan with the suppliers to establish preventive or corrective measures to develop guidelines for future operations.

Table summarizing the relationship between the Group's Suppliers (domestic foreign)

Total Number of Trading Partners	Unit	2021	2022	2023
Key Suppliers (Critical Tier 1 Supplier)				
– Foreign	No. of parties	18	22	28
– Domestic	No. of parties	62	56	84
Secondary Suppliers (Non–Critical Tier 1 Supplier)				
– Foreign	No. of parties	111	98	109
– Domestic	No. of parties	1,053	1,121	1,188
Key Indirect Suppliers (Critical Non–Tier 1 Supplier)				
– Foreign	No. of parties	0	0	0
– Domestic	No. of parties	15	11	11

Additionally, the Group promotes and supports the development of the potential of its partners through various seminars and training activities to ensure that ESG operations are consistent with the Company's policy, the details of which are as follows:

Trading Partners potential development activity schedule

Frequency	Company	Activity	Objectives	Target Partners	Participants (No. of persons)	Satisfaction Level (percentage)
Once a month	HLM	Occupational health and safety training in working with hazardous goods (transportation).	1. General knowledge about dangerous chemicals, hazardous substances, and dangerous goods. 2. General knowledge about management systems, controls, rules, and various requirements regarding dangerous chemicals, hazardous substances and dangerous goods. 3. Knowledge regarding operational safety, occupational health, safety and environmental management. 4. Chemical safety information or MSDS SDS and its uses. 5. Actions to be taken in case of emergencies, product spills, fires, etc. 6. Operating safety when inside the warehouse. 7. Safety in the operation of transporting hazardous goods, relevant laws and/or rules and regulations. 8. Driving economically and safely. 9. Inspections and basic maintenance. 10. Risks and preventive measures in the pre-transportation process, during transportation and driving under abnormal visibility conditions.	Hazardous goods transport drivers	171	99

As for the treatment of creditors and debtors, in 2023, the Group did not receive any complaints of unfair treatment from its creditors and debtors and the Group has continuously honored its payments in accordance with the credit terms. The related information regarding the Company's 2023 debt repayment period has already been disclosed in the 2023 Annual Report under the topic 'Financial Status and Operating Results, Key Financial Ratios. In addition, the Group has also not received any complaints, or have any legal disputes with its competitors.

Risk Management and Business Continuity Management

Risk is a factor arising from changes in strategy, finance, operations, rules, regulations, and relevant laws that directly and indirectly affect business operations both positively and negatively. There are also emerging risks that occur throughout the business. Therefore, it is necessary to have a system for managing and monitoring risks to reduce the chance of damage that may occur. At the same time, it will increase business opportunities for the Company in the future.

In addition, to build confidence among stakeholders towards the Group's operations and reduce the impact of risks arising from uncontrollable external factors, the Group focuses on the importance of business continuity management so that the business operations can continue without interruption It prevents damage that may occur to the business in the future and creates a way to increase the capacity of the organization to be flexible and ready to respond and protect the benefits of stakeholders, reputation, and image of the organization effectively.

Management Guidelines

The Group's risk management is under the supervision of the Risk Management Sub-Committee to reduce or control risk factors both inside and outside the organization that affect the business operations of the Group as well as supervise the risk management process to be effective to create opportunities for sustainable growth of the Group and able to deliver the value of the Group to stakeholders in the long term. The Risk Management Sub-Committee has the important duties as follows:

1. Propose risk management policy and risk appetite level to the Management Committee for consideration.
2. Present the overall risk of the organization, including the adequacy of the internal control system for managing various risks to be at an acceptable level to the Company.
3. Acknowledge performance and give advice to departments or working groups on risks in order to develop the organization's risk management system.
4. Prepare a risk management manual, collect, and analyze information received from various departments to review and propose risk management measures and prepare an organizational risk management plan.
5. Monitor risk management results, analyze, and assess risk management results and prepare a summary report on risk management results.
6. Implement risk management processes on every project or activity. Gather risk management results and prepare a risk management report of the Company to the Management Committee to conduct analysis, assess, and adjust the risk level of the organization.

In this regard, the Company has set up a risk management process and communicated to the Board of Directors, executives, and employees for their acknowledgement through the organizational risk management training process at least 1 time a year so that the risk management process operates in the same direction. The information system has also set up for risk analysis and assessment. The Company's risk management process and procedure consist of 6 steps as follows:

1. **Setting objectives** is to specify the risk management objectives of each strategy, plan, work, project, and activity of the Company.
2. **Identifying risks** is to specify any event with both positive and negative effects on the achievement the objective from strategic, plans, work, projects, and activities. It must be able specify details and statistical impact information.
3. **Assessing organizational risk** is an analysis and prioritization of risks by considering the risk likelihood assessment and the impact of risk factors. The criteria have been established to be considered in making decision of collecting potential risk data appropriately.
4. **Risk management** is the implementation of strategies, measures, or plans into action to reduce the likelihood of a risk or reduce the damage of impact in operations that do not yet have risk control activities or existing risk control activities but inadequate. In choosing a management method, it will consider the economic value, conformity to corporate culture, and expertise in the business of the Company.
5. **Monitoring and assessing risk management results** is to monitor the appropriateness of the operations according to the risk management plan and review the effectiveness of risk management guidelines in all processes to develop the system even further.
6. **Raising awareness and communicating risks** is to provide training on risk management process and risk assessment reviews to all employees and provide channels for communicating about risks to employees on a regular basis.

Performance

In 2023, the Risk Management Sub-committee convened to review risk factors, monitor risks and the effectiveness of risk mitigation plans, and reassess risk indicators (Key Risk Indicators: KRIs) to align with the current situation. The findings from the risk management system review are reported to the Board of Directors biannually. The key points include:

1. Evaluating and reviewing organizational risks and future business-related risks (Emerging Risk), categorized as follows:
    1) Strategic Risk
    2) Operational Risk
    3) Financial Risk
    4) Compliance Risk
    5) Environmental and Social Risk
    6) Emerging Risk

2. Reevaluating Key Risk Indicators (KRIs), which serve as early warning tools to timely determine additional risk management measures.

3. Updating the Heatmap to prioritize the likelihood of risk events and their impact on the company (Risk Matrix) and establishing acceptable risk levels (Risk Appetite) or acceptable risk ranges (Risk Tolerance).

4. Reporting the outcomes of risk management activities to the Management Committee, the Audit Committee and the Board of Directors for acknowledgment.

5. Promoting the establishment of a robust risk management culture throughout the organization, beginning with the Board of Directors, all sub-committees, and executives at every level, who led by example in implementing an efficient risk management process. This involves fostering knowledge and understanding, supporting training, and various activities related to risk and risk management so that all employees can integrate risk management into their daily operations, embedding it into the organizational culture.

    In 2023, the company held training on "Risk Management in accordance with ISO 9001:2015 Quality Management Principles," part of the curriculum on the ISO 9001:2015 Quality Management System, attended by all executives and employees, representing 100% of the company's workforce.

6. The Group prioritizes handling severe emergencies, thereby establishing a Business Continuity Plan (BCP) to be prepared for significant risks and potential crisis situations, ensuring the Group can maintain operations during emergencies without interruption and minimize potential impacts. The Group's business continuity plan encompasses key operational processes and systems across office buildings, warehouses, and transport vehicles, clearly identifying responsible parties and units. Moreover, the Group consistently organizes practical training sessions annually to prepare for various emergency scenarios. The Group has emergency contingency plans as follows:

Offices	• Emergency response plan for fire incidents. • Emergency response plan for epidemic outbreaks. • Crisis response plan for IT emergencies.
Warehouses	• Emergency response plan (Packaging Department) for fire incidents and chemical spills. • Emergency response plan for incidents damaging organizational technology and information equipment, both software and hardware.
Transport Vehicles	• Emergency response plan for fires, chemical spills, and/or accidents occurring during the transportation of goods.

Performance Summary

	Unit	2021	2022	2023	Target for 2027
Organizational Risk Management Covering All Business Units of the Group	Percentage	100	100	100	100
Establishment of Business Continuity Plan Within the Organization	Percentage	100	100	100	100

Company's Corporate Level Risks and Risk Management Measures for the Year 2023

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
Strategic Risk	• Risk in acquiring partners and risk from relying on major business partners	• The group of companies recognizes the reliance on major business partners, especially in the air freight service business, which may affect the group's profitability.	• There is a stipulation that the proportion of reliance on major business partners must not exceed 30% of the total expenses of the group of companies. • There are guidelines for managing major business partner groups by providing new service products and penetrating additional customer groups to reduce dependence on large partner groups.
	• Risk in acquiring customers and risk from relying on major business customers	• The group of companies is well aware of the risk of relying on large customers, which may affect the group's profitability.	• There is a stipulation that the proportion of reliance on major customers must not exceed 30% of service revenue. • There are guidelines for managing large customer groups by providing new service products and penetrating additional customer groups to reduce dependence on large customer groups.
	• Risk from freight rate fluctuations	• In 2023, after the COVID-19 outbreak, the situation has eased, and freight rates for both air and sea transportation have significantly decreased. This has resulted in customers having more choices in using transportation services. In addition, global geopolitical conflicts in many areas may affect the cost of fuel prices, which may also contribute to the volatility of freight rates for goods transportation.	• There are management guidelines by closely monitoring and checking freight rates to forecast situations and freight rate trends. This allows for setting service prices with a profit margin that can accommodate price changes. • The focus is on expanding the new customer base in product groups that are not significantly affected by the economic slowdown, such as the food industry and e-commerce products, to increase the volume of transported goods to replace the declining freight rates.
	• Risk from industry competition	• The logistics service business in Thailand is a highly competitive business. New operators can easily enter the industry to compete, affecting the business operations of the group of companies. This leads to price wars in the logistics service business competition by cutting prices lower than the market price. It may result in the group of companies having fewer customers or having to reduce service prices, which may decrease the group's revenue and profits.	• Monitor, collect statistics of logistics operators, and analyze service prices to prepare a marketing plan. • Develop and expand services focusing on providing comprehensive services to cover customers' logistics needs in all aspects. • Provide in-depth services to customers to create specialized expertise, capable of serving both specific and general customers. • Upgrade the ability to provide various services to meet international standards.
Operational Risk	• Risk from damaged transportation operations or late delivery of goods not meeting the specified time	• The group of companies' business operations in providing comprehensive logistics services have risks of being sued due to damaged goods, lost goods, accidents during operations, or delayed transportation that does not meet the specified time. These incidents may be caused by severe accidents or natural disasters, which can cause damage to life and property, both the property under the ownership of customers and the group of companies. This results in expenses for damage compensation, fines, and affects the reputation and revenue of the group of companies	• Arrange insurance related to the business operations of the group of companies, which covers goods deposited in the group's warehouses. The insurance policy should clearly specify the conditions of liability for damages and the maximum liability of the group of companies to reduce the burden and conflicts that may arise between the group of companies and customers. • Establish preventive guidelines and prepare emergency action plans. • Have measures to inspect internal work systems and coordinate with warehouses regarding the time required to load all goods in order to find ways to prevent delays, such as working overtime in the morning, and pre-loading goods.

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
Operational Risk	• Risk from overseas investments	• The group of companies operates businesses overseas in the form of limited companies and branches of the group. This may pose risks from conducting business abroad due to differences and unfamiliarity with laws, regulations, and cultures. Moreover, foreign markets may have a large number of foreign companies providing similar services to the group's business. Therefore, expanding into international markets may cause the group of companies to face increased competition with trade competitors and the risks.	• Business data and risk information in various aspects in foreign countries are analyzed to assist in making investment decisions in different countries. • There is a policy to consider finding business partners who have expertise and experience in the logistics business in each country to jointly invest in the business. This helps manage the business in terms of laws, regulations, culture, and competition.
	• Risk from investing in joint ventures both domestically and internationally	• The group of companies has invested in businesses related to the group's business both domestically and internationally to expand the business and find business partners. The investments are in the form of joint ventures and business acquisitions. Such investments may carry the risk that the joint venture companies may not be able to operate the business and achieve the estimated performance targets. This may affect the value of the investments made by the group of companies and impact the group's operating results.	• Prepare and analyze business information, business risk issues, due diligence of the company's financial, accounting, and legal status, as well as assessing the financial, accounting, and legal value, including evaluating the appropriate enterprise value before acquiring the business. • Establish a policy to find business partners who have expertise and experience in the logistics business in each business group to be joint venture partners. • For business acquisitions, the company will generally hold a stake of not more than 50% (depending on the case) to allow the existing management and shareholders to continue managing the business. There will be agreements to provide benefits to the existing management and shareholders based on the performance that can be achieved in the future. • Establish guidelines for monitoring and reporting the performance of the invested businesses to the Management Committee, Audit Committee, and Board of Directors on a regular basis. • Send personnel to study and observe the various businesses in which the company has jointly invested, in order to understand the business and be able to manage the business in the future.

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
Operational Risk	Risk from handling and transporting dangerous goods and chemicals	The business of providing logistics services for dangerous goods and chemicals is considered a business that requires specialized expertise in managing goods, both in the storage and transportation processes. If there is a chemical leak, it may cause damage to goods, personnel, customer's property, and the group's property, as well as other people inside or around the warehouse and the environment surrounding the warehouse.	• There is a process to screen the goods to be transported and procure equipment, tools, and storage facilities specifically suitable for dangerous goods and chemicals. • Prepare manuals for the safe use of equipment and tools. • Prepare a work system plan, operating procedures, basic work knowledge, and comply with international and domestic transportation regulations. • Prepare an emergency response plan in case of chemical leakage. • Continuously train employees to increase service expertise and enhance preventive measures to reduce the risks that may occur during the storage or transportation of dangerous goods and chemicals. • Obtain insurance for damage from international and domestic transportation and property risk insurance to compensate for damages that may occur from international transportation, covering liability for goods, customs, third parties, errors and omissions, and property damage that may result from external accidents caused by disasters and other accidents, including burglary with visible traces.
	Risk from the stability of information technology systems	The group of companies has introduced information technology into the core service processes of all business groups, covering from the process of transporting goods, receiving goods, storing goods, to the process of delivering or distributing goods to customers, and tracking the status of goods. This is to increase operational efficiency, speed up service delivery and respond to customer needs, reduce costs and redundancy in the group's services. Therefore, if such systems have errors that cause data loss, it may affect the operations, reputation, and financial position of the group of companies.	• A dedicated department has been set up to oversee the information technology system. This department will continuously develop, repair, and maintain the Group's information technology system to ensure stability, quickly resolve problems in case the system is damaged, and regularly review the plans. • Network systems, data storage (Storage Area Network–SAN), and a Disaster Recovery Site (DR Site) have been installed to backup computer system data and prepare for emergencies to prevent data loss and ensure continuous and efficient data and computer system availability. • The DR Site is tested annually to prepare for emergencies and ensure business continuity.

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
Operational Risk	• Risk from relying on the company's experienced personnel	• The business of providing logistics services and international transportation requires individuals with specialized knowledge and expertise in transporting goods and safely handling and storing goods, as well as preventing and handling emergencies. Errors or accidents in the transportation and storage of dangerous goods and chemicals can cause damage to property, the environment, or life, body, or health, which can impact the reputation, revenue, expenses, and profits of the group of companies. Therefore, the group of companies is at risk of personnel shortage if the group loses personnel and is unable to find replacement personnel.	• Develop a human resource development plan and provide continuous training for employees to enhance their capabilities. • Prepare an analysis plan for employee turnover rates and have a plan for allocating appropriate compensation and benefits according to each individual's knowledge and abilities. • Establish a succession plan policy to ensure continuity of work in positions that have a critical role in the organization. • Prepare an organizational restructuring plan to accommodate uncertainties and opportunities for future business growth, as well as adjusting and increasing remuneration for executives and employees of the group of companies to create incentives for executives and employees and prevent the loss of key personnel.
	• Risk in management	• Being controlled in policymaking and management by a group of major shareholders may have an impact on transparency in management and auditing, as well as the balance of power within the company.	• Independent directors are appointed as members of the Board of Directors, Audit Committee, and Chairman of the Board to perform duties of reviewing, balancing decision-making, and considering and approving various transactions before presenting them to the shareholders' meeting. • Regulations on business ethics are established as guidelines for directors and executives to perform their duties in accordance with good practices for directors of listed companies. • The scope of duties and delegation of authority for the Board of Directors are clearly defined to avoid conflicts of interest.
Financial Risk	• Risk from exchange rate fluctuations	• The group of companies provides international freight transportation services and conducts business overseas, resulting in some revenue and service costs being in foreign currencies. This poses a risk from exchange rate fluctuations.	• Risk is managed by applying the principle of having revenue and expenses in the same currency (Natural Hedge). • The movement of exchange rates is closely monitored to assess the situation and trends of exchange rates for various currencies. • Forward contracts for foreign currency are entered into without any policy to speculate on exchange rates. • Branch offices are opened overseas to manage revenue and expenses in foreign currencies.

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
Compliance Risk	• Risk from operations that may lead to corruption	• The group places importance on conducting business in a correct, straightforward, transparent, and auditable manner. It is therefore aware of the risks from operations that may lead to corruption, which would be an obstacle to developing business competitiveness and affect the confidence of all stakeholders of the company.	• Joining as a member of the Thai Private Sector Collective Action Against Corruption (CAC) project, established by leading business organizations in the country, with the Thai Institute of Directors Association (IOD) acting as the secretariat and playing a key role in driving the project. Members must renew their certification every 3 years, and the company is required to assess at least 5 risks related to corruption. • Develop an anti-corruption policy and a policy and guidelines for reporting and protecting whistleblowers of corruption. Provide training to review knowledge and understanding for executives and employees in an online format, along with conducting regular annual tests. These policies are published on the company's website. • Assign the internal audit department to oversee, monitor, and evaluate to prevent cases of corruption.
	• Risk from changes in government policies or laws of regulatory agencies related to the company's business	• The group's integrated logistics business operations are directly impacted by government policies. If the government or related agencies change policies in a direction that will negatively affect the company's business operations, such as increasing import tax rates, raising value-added tax, or terminating lease contracts in port and airport areas, it may result in higher costs for the group or customers. In addition, airport policies related to low-cost airlines and the ASEAN Economic Community (AEC) policy have led to increased investment by foreign operators in Thailand, which may result in more competitors for the company in providing logistics services. The company may also face risks from changes in policies regarding the use of warehouse space for domestic and international goods. These factors may impact the financial position and operating results of the group.	• Management guidelines include monitoring government and relevant agency policies to assess the impact and risks to the group's business operations. • Build partnerships to expand network coverage, allowing for adjustments to management and operational investment plans to suit the situation, even though such policies may not be easily changed. • Focus on making long-term contracts and negotiating terms that may affect the company, as well as planning to increase readiness and competitiveness to respond to potentially changing government policies.

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
Environmental and Social Risk	• Risk from changes in laws, regulations, requirements related to safety, health and environmental management	• Currently, the world is giving importance to Environmental, Social, and Governance (ESG Risk) management, which may have factors and causes from various aspects such as climate change, human rights issues, and regulatory requirements. The company is aware of the risks from changes in laws, regulations, and requirements related to safety, health, and environmental management.	• Regularly monitor new laws, regulations, and requirements related to safety, health, and environmental management. • Develop an environmental management plan within the organization, such as reducing energy consumption, reducing waste, and promoting activities to efficiently conserve natural resources. • Collaborate with business partners to increase investment in environmentally friendly businesses and services, such as using electric vehicles for goods transportation. • Develop plans to expand environmentally friendly businesses, such as setting up charging stations for electric vehicles and using electric vehicles in transportation services to help reduce greenhouse gas emissions. • Have operational requirements that take into account the health and welfare of employees, provide fair welfare management, and develop plans for employee opportunities and advancement.
Emerging Risk	• Risk from epidemic outbreaks and emerging diseases	• Due to the highly challenging business environment in 2020–2021 caused by the global COVID–19 pandemic, which has had a widespread impact on the economy and society worldwide, the company, its customers, and partners have been affected. Therefore, the company recognizes the importance of being prepared to handle the risk of other potential future epidemics.	• Have a business continuity management plan for risks arising from epidemics. • Monitor global pandemic information and establish measures to support the health and hygiene of employees and customers. Allow employees to work from home and encourage online meetings, as well as using information technology systems for management. • Strict safety and cleanliness measures, such as requiring employees and visitors to wear masks, screening employees, customers, and visitors before entering office buildings, work areas, or service areas, providing alcohol gel at various points, implementing social distancing in common areas, and regularly cleaning common areas.

Risk Type	Risk	Impact on Business Operations	Risk Management Measures
	• Risk from climate change	• Global climate change has resulted in more frequent and severe natural disasters, which pose a risk that may disrupt the group's business operations and affect the assets of the group and its customers, as well as the safety of employees. Additionally, concerns about environmental issues caused by climate change have led customers and partners to place greater importance on environmentally friendly products and services or low-carbon businesses.	• Consider developing a business continuity management plan for natural disasters and other unexpected events. • Consider assessing the business impact of climate change and develop a plan to mitigate such impacts. • Develop environmentally friendly businesses to reduce the impact of climate change.
	• Risk from geographical changes	• As a result of climate change, geographical changes such as sudden flooding from erratic weather conditions may occur. This may cause the company to be unable to transport goods according to schedule or may require changes in transportation routes, affecting costs and transportation times. It may also lead to the loss of trade opportunities for customers.	• Consider developing a business continuity management plan for geographical changes. • Monitor, process, and comprehensively analyze key global change trends to determine risk management measures.
	• Risk from geo-economic confrontations	• Geo-economic tensions, in the case of war or international conflicts, may affect confidence in the group's services. It may also cause the group to have higher operating costs, lose customers or partners, and impact competitiveness due to product restrictions, currency measures, investment controls, sanctions, etc.	• Develop stronger engagement with business partners to build confidence in providing efficient services throughout the business value chain. • Monitor, process, and comprehensively analyze key global change trends, including industry trends, to determine risk management measures and develop business continuity management plans for the impact of geo-economic confrontation risks.

ENVIRONMENTAL PERFORMANCE

Outstanding Environmental Performance

Reducing Greenhouse Gas Emissions

- Developed environmental and climate policy.
- Promoted employee participation in proposing opinions as well as developing plans or projects to help reduce the organization's greenhouse gas emissions, such as waste separation project through PET to PPE activities, etc.
- First year participating in the Stock Exchange of Thailand's "Care the Bear" program, able to reduce carbon footprint by 291.02 kgCO2e, equivalent to planting 32 mature 10-year-old trees.

Energy Management

- Studied opportunities and feasibility with partners in using clean energy that is environmentally friendly, such as product transportation and distribution using clean energy from electric trains, etc.

Environmental Management

- Provided training on "Corporate Sustainability and Environmental Impacts" for directors, executives, and employees of the Group.
- Set a goal to reduce non-hazardous waste by 5% by 2027 compared to the 2022 baseline.

Challenges and Opportunities Regarding the Environment

Climate change is a major challenge that greatly affects human life, the environment and economic development. The key factor that contributed greatly towards climate change is greenhouse gases. As a result, several countries worldwide have set similar goals that aim to be carbon neutral by 2030 and emit net zero greenhouse gas emissions by 2050 in accordance with the Paris Agreement, in which several countries, in particular developed countries, declared their intentions to cooperate in solving and mitigating environmental issues and climate change. In this regard, several more stringent environmental measures are being implemented that may potentially pose a trade barrier for Thai exporters who may not yet pay much attention to environmental issues.

As for Thailand, it participated in the "Paris Agreement" on September 21, 2016, and declared its goals of achieving carbon neutrality by 2050, and attaining net zero greenhouse gas emissions by 2065, while also simultaneously raising the level of the National Determined Contribution (NDC) target by reducing its greenhouse gas emissions to 40% by 2030.

The Group, therefore, recognizes the extensive risk resulting from current global climate changes, as well as policies, laws, and various criteria that have occurred which may potentially affect the Group's business operations, both directly and indirectly, and thereby is committed and give importance to being a part in resolving and mitigating environmental issues and climate change to turn crises into opportunities to ensure the organization's sustainability. The Group has established environmental and climate policies and established guidelines for efficient resource use and environmental management, as follows:

- Manage the use of resources in every step of the work process to ensure maximum efficiency by reducing environmental impacts at every step of the business value chain.
- Nurture, protect and preserve the work area's environmental surroundings to be in accordance with the related laws, as well as ensure compliance with national and international standards, criteria, and certifications.
- Establish objectives, goals, and operational plans that focus on promoting the cost-effective use of resources and creating maximum benefit to the Group's operations.
- Manage the environment arising from the Group's operations as required by law.
- Manage waste according to the 3Rs principles, i.e. reduce, reuse, and recycle, in order to reduce the amount of waste generated and its impact on the environment.
- Comply with laws related to the management of energy, the environment, and climate intensively, and continue to improve work efficiency and energy use to be consistent with good practices.
- Create awareness and organizational culture toward protecting and maintaining environmental quality for the organization's employees and stakeholders.
- Communicate, disseminate, and publicize the Group's environmental policies and practices to all of the organization's employees and stakeholders through various activities.
- Prepare a report summarizing the results of compliance with the Group's environmental policies and practices, and disclose the information to all stakeholders on an annual basis.

Reducing Greenhouse Gas Emissions

The Group acknowledges the risks posed by current and potentially escalating global climate change. This phenomenon significantly impacts business operations, both directly and indirectly. The Group is actively involved in reducing greenhouse gas emissions, aligning with Thailand's national objectives.

Management Guidelines

The Company has established an environmental and climate policy, set objectives, and formulated a corporate-level plan to reduce greenhouse gas emissions. Furthermore, it promotes and communicates with the employees of the Group for effective energy and environmental management, including initiatives to cut down greenhouse gas emissions to the atmosphere. These efforts are propelled by the Environmental Working Group, which includes board members, senior management, and employee representatives from the Group. Together, they define strategic directions and objectives that adhere to the sustainability policy and operational framework concerning climate change, ensuring alignment with international standards and trends. These plans, along with reports on the annual sustainability performance, are presented to the Corporate Governance and Sustainable Development Committee tasked with overseeing sustainability operations, especially those related to climate change that directly and indirectly influence business activities. These are then submitted to the Board of Directors for approval and endorsement.

The Group has formulated a management approach for addressing the impacts of climate change, adhering to the "Organizational Carbon Footprint standard set by the Greenhouse Gas Management Organization (Public Organization)," along with its environmental and climate policy. A key objective is to establish a comprehensive process for gathering, analyzing, and reporting data on greenhouse gas emissions, enhancing organizational personnel's awareness of climate change impacts, and aiming to reduce greenhouse gas emissions into the atmosphere. Additionally, the initiative seeks to unlock business opportunities emerging from climate change. The strategic goal in managing climate change impacts is to achieve a 5% reduction in corporate greenhouse gas emissions by 2027, benchmarked against the base year of 2022.

In 2023, the Group evaluated risks and opportunities associated with its business due to climate change. The Group calculated the volume of greenhouse gas emissions and disclosed organizational emissions for the years 2022-2023, preparing to present a comprehensive carbon footprint report and verification in 2024, alongside strategies for reducing greenhouse gas emissions.

The scope of the greenhouse gas emissions report encompasses the Group's facilities and primary operations, including the main office building and warehouse facilities. It will enumerate all organizational activities to evaluate significant sources of greenhouse gas emissions and establish controls for emissions arising from the organization's activities, both directly and indirectly. The Group engages in various activities related to greenhouse gas emissions, as outlined.

| Area | Organizational Activities in Each Area | | |
	Scope 1	Scope 2	Scope 3
Head Office	• Stationary combustion. • Mobile combustion. • Use of refrigerants.	• Electricity consumption in the head office, including common areas, security posts, public lighting, and cafeteria.	• Paper usage. • Water consumption. • Waste generation. • Acquisition of fuel and energy.
Warehouse and Common Areas	• Stationary combustion. • Mobile combustion. • Use of refrigerants. • Use of fire extinguishing agents.	• Electricity consumption in the warehouse.	• Paper usage. • Water consumption. • Waste generation. • Acquisition of fuel and energy.

Guidelines for Reducing Greenhouse Gas Emissions. The Group has implemented the following operational plans:

1. Establish an environmental and climate policy to reduce the organization's greenhouse gas emissions, aiming for a low-carbon society in line with the organization's strategic goals.
2. Create a manual for data collection on resource use to facilitate annual calculations of the organization's greenhouse gas emissions.
3. Specify a baseline year and set clear targets for reducing greenhouse gas emissions.
4. Enhance the data storage and recording system to ensure data quality and reliability for assessing the organization's greenhouse gas emissions.
5. Perform verification of the organization's greenhouse gas emissions by 2024 to confirm accuracy and reliability, certified by a standard-accredited agency.
6. Share information about its greenhouse gas emissions with stakeholders and the public.
7. Develop and monitor initiatives aimed at reducing greenhouse gas emissions within the organization.
8. Encourage awareness, understanding, and motivation among employees to actively participate in greenhouse gas reduction projects.
9. Implementing design criteria for new construction projects that prioritize the use of environmentally friendly materials and products, contributing to the overall reduction of the organization's greenhouse gas emissions.
10. Establishing a cooperative network with the Group's stakeholders to collectively undertake projects aimed at reducing greenhouse gas emissions.

Performance

The Group acknowledges the significance of climate change as a major global issue, not limited to any single entity. Thus, in 2023, the Group participated in the "Care the Bear" project initiated by the Stock Exchange of Thailand (SET). This initiative aimed to engage every segment of the organization in reducing greenhouse gas emissions, a key contributor to global warming.

The Care the Bear project emerged under the "Change the Climate Change" theme by Eco – Event. It advocates for the reduction of global warming by minimizing greenhouse gas emissions through the "6 Cares principles" for event activities. These principles include promoting the use of electric trains or public transportation, reducing the use of paper and plastic, avoiding foam products, minimizing energy consumption from electrical devices, opting for reusable materials for event decorations, and reducing food waste. These actions align with the United Nations' Sustainable Development Goals (SDGs), specifically Goal 13: Taking Action to Combat Climate Change, and Goal 17: Partnerships for the Goals.

2023 marked the first year of the Group's involvement in the Care the Bear project. The Group implemented various activities following the "6 Cares principles." Actions included holding online meetings, distributing digital documents at meetings, and eliminating the use of foam containers in events.

Reduced greenhouse gas emissions by
▼ **291.02**
kilograms of carbon dioxide equivalent (kgCO2e),

equating to the planting of **32** ten-year-old trees.

The Group is committed to expanding its goals for reducing greenhouse gas emissions by continuing participation in the Care the Bear project in the upcoming years

Comprehensive data collection on greenhouse gas emissions from the Group's operational activities has been conducted. This initiative is aimed at calculating foundational data regarding the volume of greenhouse gas emissions, outlined as follows:
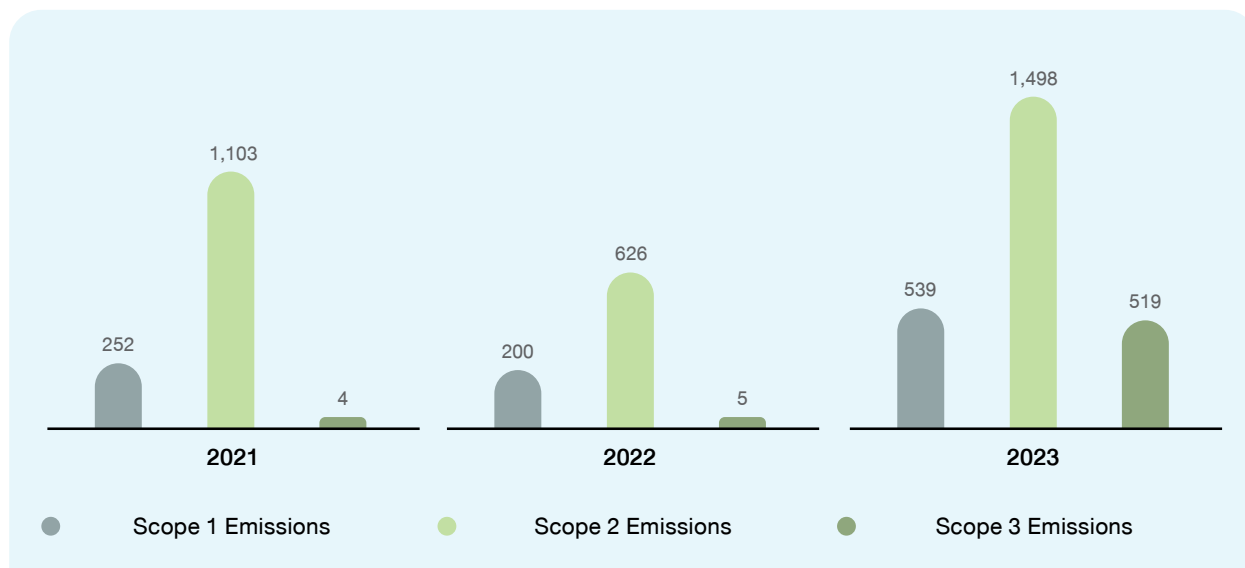
Gas Emissions	Unit	2021	2022	2023[1]	Target for 2027
Scope 1 Emissions (Direct GHG Emission)	Ton CO2e	252	200	539	Aim to reduce corporate greenhouse gas emissions by 5% by 2027, benchmarked against the base year of 2022.
Scope 2 Emissions (Indirect GHG Emission)	Ton CO2e	1,103	626	1,498	
Scope 3 Emissions (Other Indirect GHG Emission)	Ton CO2e	4	5	519	

Remark:

[1] There was an increase in greenhouse gas emissions due to the inclusion of additional sources for calculation to align with the ISO 14064-1 version 2018 standards. This includes stationary and mobile combustion, fuel and energy procurement, among others.

Summary

Key Matters	Unit	2021	2022	2023	Target for 2027
Corporate Carbon Footprint Reporting[1]	Percentage	10	10	80	Completed in 2027
Guidelines for Reducing Greenhouse Gas Emissions [2]	Percentage	10	20	70	Completed in 2027

Remark:

[1] The Group began planning for the corporate carbon footprint report in 2021, with data collection and greenhouse gas emission calculations commencing in 2022. External verification is planned for the 2024 reporting period.

[2] The Group has implemented activities to reduce greenhouse gas emissions through energy conservation efforts starting in 2021.

Energy Management

Energy ranks as a crucial resource in the operations of the Group. Enhancing energy management efficiency is integral to consistently managing production costs effectively. The Group prioritizes improving efficiency in energy conservation across its services, both directly and indirectly.

Management Guidelines

The Group is dedicated to maximizing energy efficiency across its business chain. The aim is to conserve energy in key areas such as the headquarters, warehouse buildings, and the Group's product delivery processes, contributing to the reduction of greenhouse gas emissions. The Group's energy conservation strategy is adapted from the energy management principles outlined in the Energy Conservation Promotion Act, B.E. 2535 (1992), and its subsequent amendments. The goal is to encourage and support the Group's companies in energy conservation efforts and to develop the personnel within the Group to manage energy responsibilities efficiently and effectively within the organization.
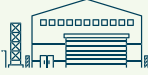
The Group's strategy for energy conservation includes the following eight steps:

1. Establishing an energy management team.
2. Conducting a preliminary management assessment.
3. Formulating and publicizing energy conservation policies.
4. Assessing the potential for energy conservation.
5. Setting objectives for energy conservation and outlining plans, including training programs.
6. Implementing the plan and analyzing adherence to set objectives.
7. Monitoring and evaluating the energy management system.
8. Reviewing, analyzing, and amending the system.

Performance

In 2023, the Group efficiently conserved energy, aiming to cut transportation costs and contribute to the reduction of greenhouse gas emissions. Educational campaign signs were created for employees about saving energy in buildings and operational processes, such as advocating for the shutdown of lights post-usage and scheduling air conditioning shutdowns during lunch breaks. Additionally, energy management projects were implemented, resulting in electricity cost savings as follows:

Summary Table of Energy Conservation Activities by Head Office and Warehouse Areas

Area	Energy Management Activities or Projects for 2023
General Warehouse	• Developed educational campaign signs for employees about energy saving within buildings. • Installed translucent materials for natural lighting across 4 rows on the warehouse roof. • Replaced 127 LED bulbs, each 24 watts. • Instituted a policy to turn off lights and air conditioning for 1 hour (12:00–13:00) daily in the office area within the warehouse. • Conducted regular air conditioning maintenance, including cleaning and dust removal from hot and cold coils, 4 times a year. These measures, including the use of translucent materials, transitioning to LED bulbs, switching off lights and air conditioning, and maintaining air conditioners, led to a significant reduction in electricity costs by THB 172,583.56 and 37,682 kilowatts compared to 2022, when the electricity bill was THB 1,279,638.86 for 278,166 kilowatts. • Facilitated 46 online meetings to conserve energy and reduce fuel consumption for travel. • Replaced 11 fire extinguishers with Clean Agent tanks, an environmentally friendly alternative that does not harm the Earth's atmosphere.
Chemical Warehouse	• Developed educational campaign signs for employees about conserving energy in buildings. • Installed translucent materials for natural lighting across 4 rows on the warehouse roof. • Instituted a policy to turn off lights and air conditioning for 1 hour (12:00–13:00) in the office area of the warehouse on every working day. • Conducted regular air conditioner maintenance, including cleaning and dust removal from the hot and cold coils, 4 times a year. • Promoted online meetings to save energy and fuel for travel, totaling 311 times.
Don Mueang Warehouse	• Installed 20 LED spotlight bulbs of 10 watts each within the warehouse. • Used translucent materials for natural lighting on the building's roof, totaling 72 panels across all rooms. • Implemented a policy to turn off lights when not in use, with warning labels around air conditioner controls stating, "Do not turn on the air conditioner before working hours and turn it off before lunch breaks and leaving work." • Performed air conditioner maintenance with regular cleaning and dust removal on the hot and cold coils, 6 times a year. • Held monthly meetings focused on safety and the efficient use of resources, particularly emphasizing electricity savings.
Head Office Building	• Upgraded to LED lighting throughout the main office building, including 10 bulbs of 4 watts, 60 bulbs of 7 watts, 2 bulbs of 9 watts, 40 bulbs of 12 watts, and 44 bulbs of 28 watts, for energy savings. • Installed translucent materials to utilize natural lighting in the parking area beneath the office building, with a total of 112 panels, reducing daytime lighting costs. • Utilized electricity generated from solar panels at various locations around the main office building, including the motorcycle parking area and outdoor walkways, with 12 bulbs of 45 watts each, used for 12 hours a day. • Conducted regular air conditioner maintenance, including cleaning and dust removal from the hot and cold coils twice a year. • Implemented a policy to turn off lights and air conditioning for 1 hour (12:00–13:00) every workday. • Replacing the normal air conditioner to an inverter type on the 2nd floor, 1 unit, in August 2023. After installation, it was found that from August to December 2023, 1,218 units of electricity were used, a decrease of 18.2 percent compared to the same period of 2022, when 1,489 units were used. In September 2023, the two units of air conditioners on the 7th floor were changed to an inverter type. • Replaced all hot water bottles and microwaves on the 3rd floor with energy-efficient, grade 5 models. • Installed two electric vehicle charging stations in the parking area, with plans to expand additional charging points to support the use of renewable energy. • Explored opportunities and feasibility with partners for the use of clean, environmentally friendly energy.

Energy Conservation Activities

Changing from fluorescent light bulbs
to LED light bulbs

Using solar cells to generate renewable energy

Saving energy campaign

Electric vehicle charging station

Summary of Operating Results

Performance Overview	Unit	2021	2022	2023[1]	Target for 2027
Total Electricity Consumption	Kilowatt-hours	1,895,088	1,075,667	2,995,813	Aim to reduce the organization's energy consumption rate by 5 percent by 2027, relative to the 2022 baseline.
Diesel Fuel Consumption	Liters per year	77,820	59,460	75,304	
Gasoline Fuel Consumption	Liters per year	7,642	6,386	16,609	
Gasohol Fuel Consumption	Liters per year	9,545	10,050	130,259	
Electricity Savings Rate	Percentage	6.63	43.24	–	

Remark:

[1] The increase in total electricity consumption in 2023 can be attributed to:

- The addition of two warehouses: a Phuket Airport Warehouse with an area of 32.60 square meters and a Bang Na Km. 39 Warehouse (W13) with an area of 2,150 square meters, to accommodate business expansion.
- Employees resuming standard work arrangements following the COVID-19 pandemic.
- An increase in the number of employees, from 476 in 2022 to 518 in 2023.

Environmental Management

The Group is dedicated to operating its business with a commitment to environmental stewardship. This involves efficient environmental management across all aspects, including water resource management, handling non-hazardous waste and waste materials, and minimizing greenhouse gas emissions into the atmosphere, as discussed under the greenhouse gas emissions section. The aim is to mitigate adverse environmental impacts across the entire value chain and utilize resources efficiently and beneficially.

Water Resource Management

Water is an indispensable natural resource for stakeholders across all sectors. Consequently, the conservation of water resources is a priority for the Group, especially in light of climate change impacts that affect stakeholders broadly. Furthermore, the Group is attentive to water treatment processes in headquarters and warehouse facilities before external discharge and promotes water resource conservation to optimize water usage efficiency.

Management Guidelines

The Group prioritizes the management of water resource usage within its headquarters and warehouse facilities, aligning with the United Nations' Sustainable Development Goals. Goal 6 focuses on sustainable water and sanitation management, taking into account the climate change impacts on stakeholders, such as water scarcity and flooding events.

In 2023, the Group designated water resource conservation as a critical aspect of its environmental management strategy, contributing to the goal of upgrading its office buildings to meet future green building standards set by government entities. Initiatives for water conservation and care for watershed areas and natural water sources were initiated as follows:

Inspection and Maintenance Phase (Starting in 2022)	Efficiency Enhancement and Treatment Phase (Starting in 2024)	Natural Water Source Conservation Phase (Starting in 2027)
• Conduct awareness programs for employees on identifying water leak points and efficient water use within the Group's premises and their residences. • Inspect and maintain water leakage points in the utility systems of office and warehouse buildings. • Evaluate and enhance the adequacy of drainage systems, flood prevention measures, water production, and wastewater treatment within office and warehouse buildings.	• Opt for environmentally friendly products for repair and maintenance tasks in office and warehouse buildings.	• Organize at least one annual activity (during the rainy season) to promote the conservation of natural water sources. Projects might include the restoration of upstream forests or mangroves in collaboration with government agencies in provinces where the company operates.

Performance

Due to the Group's premises not being located adjacent to any public water sources, the water utilized within the Group primarily comes from purchases made from local government entities and state enterprises, specifically from the Metropolitan Waterworks Authority, for utilization within office and warehouse buildings, as well as for various cleaning processes. The used water from different sections of the Group is channeled into a wastewater treatment system designed for treating building wastewater, ensuring it complies with building wastewater standards before being discharged from office and warehouse buildings. The Group conducts regular wastewater quality checks at least 12 times a year, with STS Green Company Limited certified according to the TIS standard no. 17025-2561 (ISO/IEC 17025: 2017).

In 2023, there was a total water consumption of 11,257 cubic meters per year. The Group has conducted inspections and maintenance of water leak points within the utility systems of the main office building and warehouse, identifying and successfully repairing a total of one leak, which helped the Group save a total of 280 cubic meters of water. Furthermore, the Group has focused its water management activities primarily on the office and warehouse areas, demonstrating a commitment to efficient resource utilization as follows:

Summary of Water Conservation Activities by Headquarters and Warehouse Areas

Area	Water Management Activities or Projects for 2023
General Warehouse	• Inspected and repaired a significant water leak point within the building's utility systems in June and July, leading to a water loss reduction of 280 cubic meters. • Installed educational signage on economical water usage around hand washing sinks and bathrooms. • Adjusted water pressure to prevent excessive flow in hand washing sinks and spray nozzles, saving approximately 22.47 baht or a reduction of 140 cubic meters in total water usage annually compared to 2022.
Chemical Warehouse	• Conducted inspections and maintenance of the utility system within office buildings without identifying any leaks. • Performed regular wastewater quality assessments 12 times a year (monthly) by STS Green Co., Ltd., adhering to the TIS 17025-2561 (ISO/IEC 17025: 2017) standard. • Installed educational signage to promote water conservation at handwashing areas and restrooms. • Switched to automatic faucets and adjusted the water flow rates from sinks and toilets to decrease. • Adjusted the water pressure for it not to be too strong in faucets and bidets, saving 625.11 baht in water costs or a total reduction of 58 cubic meters in water usage annually compared to 2022.

Area	Water Management Activities or Projects for 2023
Head Office Building	• Undertook inspections and maintenance within the building's utility systems and found no leaks. • Installed educational signage encouraging water-saving practices in handwashing areas and bathrooms. • Adjusted the water pressure for it not to be too strong in basins and bidets. • Replaced the flushing system in toilets from Single Flush to Dual Flush models to enhance water efficiency.

Water Conservation Activities

Water conservation campaign

Water system and equipment Inspection

Summary of Operating Results

Performance Overview	Unit	2021	2022	2023[1]	Target for 2027
Total Water Consumption	Cubic meters per year	4,661	5,683	11,257	Aim to reduce organizational water usage by 5% by 2027, using 2022 as the baseline year.
Reduced Water Loss from Leakage Point Repairs	Cubic meters per year	ND	15	280	
Water Savings Rate	Percentage	ND	0.26	–	

Remarks:

ND = Reporting not available since the company began its environmental management and data collection plan in 2022, marking the first year.

[1]   Reasons for Increased Total Water Consumption in 2023:

- Expansion to 2 new warehouse locations: Phuket Airport Warehouse (32.60 sq m) and Bang Na Warehouse Km. 39 (W13) (2,150 sqm) to accommodate business growth.
- Employees returned to work in normal office settings post-COVID-19 pandemic.
- An increase in staff numbers from 476 in 2022 to 518 in 2023.

Non-Hazardous Waste and Waste Management

The Group prioritizes the management of municipal and industrial waste in accordance with legal requirements and aims to utilize resources within the business value chain efficiently and beneficially, incorporating the 3Rs principles.

Management Guidelines

The Group emphasizes the solid and industrial waste management according to the 3Rs principles, in adherence to strict regulations, including the Public Health Act B.E. 2535 (1992) and its amendments. Policies set for managing waste in head office and warehouse areas include:
- Reduce resource wastage in production processes, applying Kaizen methodologies.
- Encourage resource reusing, e.g. reducing plastic use and promoting cloth bags.
- Facilitate resource recycling or repurposing, such as segregating paper, plastic, and metal wastes, and using paper on both sides.

The Group has established a comprehensive waste management system within its head office and warehouses, adhering to the following standards:
- Trash bins categorized by waste type are provided in both the head office and warehouse areas, aligning with the 3Rs (Reduce, Reuse, Recycle) approach.
- Layouts detailing the placement of solid and industrial waste containers within the headquarters and warehouses are prepared.
- Indicators specifying types of solid and industrial waste are affixed to the respective containers.
- Procedures are documented, and annual training sessions are conducted for employees to enhance their waste segregation skills, followed by assessments of learning outcomes.
- Separate areas for storing industrial and general waste are established.
- A responsible individual is appointed for overseeing the waste collection areas, with contact details prominently displayed.
- Labels indicating the types and categories of waste are placed on collection containers and in the storage areas for both industrial and general waste.
- Mandatory, prohibition, and fire safety signs are posted in accordance with occupational health and safety standards, including no-smoking signs and signs for personal protective equipment.
- Emergency response plans and diagrams highlight the installation locations of fire extinguishers and equipment for preventing chemical spills in waste storage areas.

Performance

In 2023, the Group focused on minimizing waste generation at the source and implemented effective sorting, collection, and disposal practices. The Group has introduced several waste management initiatives to support these goals.

Summary of Waste Management Activities by Headquarters and Warehouse Areas

Area	Waste Management Activities or Projects for 2023
General Warehouse	• Placing designated bins for sorting waste based on its type and category, aligned with the 3Rs principle, led to 100% compliance among employees in separating waste accurately within the warehouse area. • A specific individual was appointed to oversee the waste collection area, complete with visible internal contact information, for both industrial and general waste. • Installation of mandatory, prohibition, and fire safety signs in line with occupational health and safety standards throughout the waste collection areas. • Development of an emergency response plan, including a layout indicating the placement of fire extinguishers and chemical spill control equipment within the industrial and general waste storage areas. • Repurposing leftover packaging for product categorization processes within the warehouse, aiming to minimize waste generation. • The shift to recycled paper led to a significant reduction in paper use, saving approximately 92,500 sheets. These initiatives collectively resulted in a total waste reduction of 16,675 Kilogram for the year.

Area	Waste Management Activities or Projects for 2023

Chemical Warehouse	• Placing designated bins for sorting waste based on its type and category, aligned with the 3Rs principles, led to 100% compliance among employees in separating waste accurately within the warehouse area.
	• Labels indicating the types of solid waste and industrial waste were attached to storage containers.
	• Signs displaying the type and category of solid and industrial waste were placed at collection containers and general and industrial waste storage areas.
	• Mandatory, prohibition, and fire safety signs were installed in waste collection areas in accordance with occupational health and safety standards, including no-smoking signs and signs for personal protective equipment.
	• A detailed map showing the placement of solid and industrial waste containers within the facility was created, following the SD–HLM–WH–009 work manual for good hygiene management in the warehouse (DG3/5 and DG4/1).
	• Chemical-contaminated waste was segregated and stored within the warehouse for annual disposal.
	• Responsibilities were assigned as per QP-HLM-MR-014 for basic program control in GHPs Codex system management.
	• Detailed emergency response plans and layouts indicating the installation points of fire extinguishers and chemical spill prevention equipment were prepared for industrial waste and solid waste areas, including:
	  ▶ QP-HLM-ES-002 work manual for emergency events (Warehouse)
	  ▶ QP-HLM-ES-003 work manual for emergency events (Office Building)
	  ▶ QP-HLM-ES-005 work manual for emergency events (Transport Car)
	• Specific locations for the installation of fire extinguishing PPE were arranged according to FM-HLM-ES-005, with a focus on warehouse safety.
	• Detailed guidelines for using personal protective equipment as per WI-HLM-ES-002 were provided to ensure employee safety.
	• Annual waste management training sessions were conducted for relevant employees by the EHS department to promote best practices in waste handling.
	• An environmental action plan was implemented with monthly reporting on operational results to the SHE working committee, highlighting electricity usage, paper consumption, and the use of toilet and hand towels.
	• Efforts to reduce the use of toilet and A4 paper were intensified.
	• Recycling initiatives for plastic, cardboard, and scrap wood from pallets.
	• The switch to recycled paper resulted in a significant reduction of paper usage by 397,500 sheets.
	
	These comprehensive waste management efforts resulted in a total waste reduction of 13,970 Kilogram for the year.

Don Mueang Warehouse	• Positioned bins for sorting waste based on its type and category, adhering to the 3Rs principles. • Mandated department heads to ensure employees collectively maintain the workspace's cleanliness. This involved separating materials and waste for either reuse or recycling and regularly organizing cleaning campaigns (Big Cleaning Day). • Established an emergency response plan (WI-SS-01), including a layout for fire extinguisher placement and equipment. Additionally, set up arrangements for chemical spill protective equipment in specified areas. • Installing safety and security signage at the entrance to the warehouse.

Area	Waste Management Activities or Projects for 2023
Head Office Building	• Allocated bins for sorting waste based on its type and category, adhering to the 3Rs principle. • Conducted a PET plastic bottle collection drive among employees to support medical projects, collecting a total of 3,500 bottles, equating to 194 PPE sets (with 18 bottles per set). • Collected old desk calendars for conversion into braille for the visually impaired, in collaboration with the Foundation for the Blind in Thailand under the patronage of Her Majesty the Queen, resulting in 318 calendars collected. • Adopted recycled pens and pencils, replacing refills as needed to minimize waste. • Replacing AA and AAA batteries from normal to rechargeable batteries in May 2023 to help reduce waste and environmental impact. It was found that from May to December 2023, 156 normal batteries were used, a decrease of 33.3 percent compared to the same period of 2022, when 234 batteries were used. • Encouraged the efficient use of paper by utilizing both sides, aiming to decrease paper waste. • Distributed meeting and training documents digitally, using digital files or QR codes to reduce paper consumption. • Investigated the potential future use of food waste decomposers to further waste management efforts.

Waste Management Activities

Summary of Operating Results

Performance Overview	Unit	2021	2022	2023	Target for 2027
Non-Hazardous Waste Quantity	Ton per year	42.21	154.25	139.34	Aim to reduce the volume of non-hazardous waste by 5% by the year 2027, using 2022 as the reference year.
3Rs Waste Management Projects	Number of initiatives per year	ND	7	8	

Remark:

ND = No report available as the Group commenced its environmental management planning and data collection initiatives starting in 2022

SOCIAL
PERFORMANCE

Outstanding Social Performances

Human Resource Management

- Adjusting the compensation and welfare structure to be consistent with the current economic and social situation.
- Sent 239,440 baht to the Promote and Develop the Quality of Life of Persons with Disabilities fund.
- Developed a happy organization at work for employees through Triple i B–Happy activity.
- The results of the Human Rights Due Diligence (HRDD) found that all risks were low, and adequate measures were in place to cope with them.
- The number of significant human rights and equality complaints was zero.
- The average job satisfaction and employee commitment to the organization was 80%.
- The personnel turnover rate in 2023 decreased from 2022 to 14.7%.
- Key positions with succession plans were at 100%.

Human Resource Development

- The results of the Individual Development Plan (IDP) showed that most employees' work behavior has improved.
- The average training hours of all personnel was 57.94 hours per person per year.

Workplace Safety Management

- There was no occupational fatality.
- The Lost Time Injury Frequency Rate (LTIFR) for employees in 2023 decreased from 2022 to 3.25%.
- No suppliers were injured while working in the Group's operating area.
- Prepared operational control regulations and emergency procedure manuals for suppliers.
- Provided measures to care for the health and safety of employees during the epidemic.

Community and Social Engagement

- The results of a community survey of 400 households found that the Group's business operations had no negative impact on the community.
- Logistics expertise has been used to help reduce community, social, and environmental problems within the communities in 5 main projects, benefiting more than 2,500 people.

Challenges and Opportunities in Social Dimension

Business and Human Rights

As of September 2023, Thailand has declared the implementation of the National Action Plan on Business and Human Rights: NAP Phase 2 B.E. 2566–2570 (2023–2027). This serves as the national policy framework aimed at promoting responsible and human rights–respecting business practices based on United Nations Guiding Principles on Business and Human Rights (UNGPs). The plan advances business operations that consistently respect human rights, building upon the achievements of Phase 1.

The Group recognizes the importance of conducting business with respect for human rights, particularly in the area of labor rights. The management committee has arranged for labor welfare at the workplace in accordance with the Ministry of Labor's regulations on welfare provision in establishments, B.E. 2548 (2005). Additionally, the Company is committed to the freedom of association of its employees. The management committee has passed a resolution approving the study of establishing a welfare committee in the workplace in accordance with the Labor Protection Act. This is intended to serve as a communication channel for conveying the welfare needs of employees to the employer, encouraging consultation, discussing proposals, and monitoring and ensuring the appropriate provision of welfare for employees in the future. The plan includes a summary and outlines the strategy for establishing the welfare committee within the second quarter of 2024.

Upskill & Reskill

Digital Transformation is a Mega Trend that has impacts and transforms services, products, as well as the existing work patterns of traditional industries. When change becomes unavoidable, businesses must engage in Upskilling and Reskilling to elevate the development of skills and knowledge among personnel within the organization to align with emerging technologies.

The Group consistently recognizes that all employees are crucial assets driving the organization towards sustainable growth objectives. Therefore, it is committed to enhancing and developing its workforce systematically at all levels within the logistics business. The group conducts a Training Need Survey annually to gather insights into the training requirements for each position. Subsequently, it utilizes this information to formulate a yearly training plan tailored to the specific needs of various job roles. The Group has initiated the development of Individual Development Plans to guide the learning and development journey of each employee within the organization to address individual weaknesses and build strengths for the employees. In this regard, employee competency development is an integral part of the succession planning process, instilling confidence in the organization's continuous business operations and mitigating risks associated with potential key position vacancies in the future.

Aging Society

There is an anticipation that by the year 2030, Thailand will transform into an aging society at an unprecedented level, similar to Japan. This is due to the increasing population aged 60 and above, accounting for approximately 28% of the total population. Moreover, there is a minimal population growth of only 0.18%. As the world transitions into an aging society, nearly every country will encounter challenges related to diminishing labor force and an ensuing shortage in the future. Consequently, several governments have begun implementing measures to promote the employment of the elderly, aiming to provide opportunities for capable seniors, generate income, and contribute to societal advancement.

Due to the logistics service business of the Group relying on the specific expertise of its personnel, considering the employment of retirees, or extending the retirement age becomes another option for the Company to explore. This is aimed at mitigating the loss of skilled personnel or those with specialized knowledge and expertise.

Disparity of Opportunity and Economy

According to the World Bank report, in 2021, Thailand ranked 13th out of 63 countries in the East Asia and Pacific region in terms of income inequality. This disparity has been exacerbated by the widespread impact of COVID-19, particularly affecting various sectors, especially vulnerable and disadvantaged groups. The pandemic has led to an increase in unemployment rates among Thai citizens, and nearly two million Thai children are at risk of dropping out of the education system.

The Group is aware of the aforementioned challenges and is committed to being part of the solution to alleviate disparities. This initiative begins with providing knowledge and expertise in logistics management to small business operators and community enterprises that need to adapt for business sustainability. As consumer behavior shifted significantly towards online purchasing during the prolonged COVID-19 pandemic of three years, becoming the New Normal trend, the Group took on a supportive role as a mentor organization for community enterprises in 2023. It offers knowledge on safe product storage, standard packaging, and selecting logistics systems suitable for different types of products. Additionally, the Group supported the transportation services at cost prices for community enterprises that lacked access to standardized logistics services at affordable prices. This support aims to enhance their competitiveness in the market moving forward.

In addition, The Group actively supports educational activities by participating in seminars and delivering special lectures with organizational representatives. The aim is to share knowledge and experience gained from working within the organization, particularly in the field of logistics following international standards for students in the field of logistics. This is part of the commitment to drive the Group of Companies to become a learning organization, promoting expertise among personnel of the Company Group and disseminating knowledge to external organizations.

Human Resource Management

The Group is well aware that human resources are a key indicator of business success and the driving force behind achieving organizational goals and sustainable growth. Therefore, the Group has established recruitment and hiring guidelines according to the human resource management policy, which focuses on transparency and non-discrimination against any individual, regardless of race, religion, gender, age, or physical disability. Additionally, qualifications, knowledge, abilities, as well as work skills and experience suitable for each position are considered, as well as the potential to develop oneself alongside the growth of the Group in the same direction. This ensures that the Group has personnel who can adapt to changing economic, social, and technological factors, as well as the highly competitive business environment today.

Apart from effective hiring management, the Group also cares for and treats all employees equally based on respect for human rights, non-discrimination, and appreciation of human diversity, following labor laws and other relevant laws. This allows the Group's personnel to fully utilize their capabilities within their scope of responsibilities.

In 2023, the Group adjusted compensation structures and benefits to align with the current economic and social conditions, so that employees receive appropriate, accurate and fair remuneration and care. Additionally, activities and promotion of a good working environment aim to provide a good quality of life for employees. This strengthens employee engagement and reduces turnover rate. Retaining efficient personnel who are dedicated to the organization reinforces a strong foundation and enhances business competitiveness. Therefore, ensuring employee happiness, safety, rights, opportunities and equal treatment is a key priority for the Group.

The Group of companies has set 3 human resource management strategies:

Strategy 1 Increase efficiency of the human resource management system
- Possess an organizational structure and manpower suitable to drive the organization.
- Possess a comprehensive, accurate, up-to-date personnel database that supports human resource processes.
- Raise awareness and promote corporate culture.

Strategy 2 Develop personnel capabilities and readiness for change.
- Personnel have knowledge, skills and competencies aligned with and supporting organizational operations.
- Develop personnel capabilities to keep up with change and develop employee career paths concurrently.
- Foster a learning and development atmosphere, with mechanisms to spread knowledge across the organization.

Strategy 3 Strengthen engagement and quality of work life
- Employees are satisfied with and engaged to the organization.
- Promote safety, health, and a good working environment.

Employee's Quality of life Management

Management Guidelines

After the Group of companies restructured the organization to align with business growth and increased investments to achieve sustainable growth goals, the human resource management policy was reviewed and established, effective June 23, 2022. In 2023, the Company reviewed the human resource management policy to cover labor practices with greater equality, respect for labor rights and human rights principles, effective November 8, 2023, to promote fairness and equality towards personnel across the Group.

The Group reviewed the Triple i Logistics Public Company Limited (TLG) Human Resource Management Road Map, covering both human resource management and human resource development, to effectively manage personnel, strengthen the organization, provide attractive and appropriate compensation and benefits, as well as equal practices and employee well-being. Guidelines to build good relations between the Group and employees have been adopted as follows:

Guidelines for Employees Management		
Recruitment	**Employee Care**	**Monitoring, Performance Evaluation and Development Opportunities**
• Manpower planning aligned with business growth and direction • Recruitment system provides fair opportunities to attract diverse, competent personnel through various channels based on competencies • Review employment contract clauses to be clear and fair	• Prepare facilities for work, workplace, equipment, appliances, information technology systems. • Organize Triple i B-Happy activities to implement the strategic plan in creating employee satisfaction and engagement with the organization. • There is equal treatment, respect for rights, and equal opportunities in accessing basic rights at work. • Review the salary structure, fair and motivating compensation and benefits. • Communicate corporate values so that employees receive them.	• Create awareness and understanding in adhering to good corporate governance guidelines, sustainable organizational development, and shared corporate values by defining them as additional key performance indicators. • Fair and transparent evaluation/assessment. • Develop a succession plan for key vacant positions to build capable personnel from within the organization through a systematic and fair system. • Equal access to learning resources, both on-site and online training, while promoting self-learning.
Communication Establish communication processes among the company, subsidiaries and affiliated companies for executives and employees to be informed of operational objectives, goals and results of each activity. This fosters awareness, unity and elevates employee engagement to the organization.		

Human resource management plan for the Group 2022–2027			
Preparation phase (2022)	**Planning and development phase (2023–2024)**	**Implementation and monitoring phase (2025–2026)**	**Scaling up Phase (2027)**
Review and draft regulations related to human resource management to align with business growth, sustainable organizational development and good corporate governance, as well as manpower planning.	Implement the amended and improved regulations and rules in operations including performance management systems and fair compensation.	Monitor results, review, evaluate and adjust as appropriate.	Monitor implementation, summarize and expand coverage to subsidiaries and affiliated companies.
Review budget allocation plan for caring and quality of life under Happy Workplace.	Develop Triple i B–Happy activities covering all 8 aspects of Happy Workplace per Thai Health Promotion Foundation's principles.	Monitor results, review, evaluate and adjust as appropriate.	Monitor implementation, summarize and expand coverage to subsidiaries and affiliated companies.
Review performance management and key performance indicators (KPIs).	Pilot approved KPIs with sample groups.	Monitor results, review, evaluate, adjust and expand application.	Monitor implementation, summarize and expand coverage to subsidiaries and affiliated companies.
Conduct employee satisfaction and engagement survey.	Continuously conduct employee satisfaction and engagement surveys to improve HR systems and processes.	Analyze results and plan initiatives to enhance HR systems and processes.	Monitor implementation, summarize and expand coverage to subsidiaries and affiliated companies.
Review employee handbook content and draft employee communications plan and initiatives to instill shared values.	Develop employee handbook and organize town hall meetings to communicate business direction, organizational updates and important news for employees, as well as activities to instill shared values.	Develop a knowledge management system to elevate employees' knowledge relevant to business operations and changing economic and social contexts.	Monitor implementation, summarize and expand coverage to subsidiaries and affiliated companies.

Performance

Fair Hiring and Termination System

The Group supports fair treatment of employees in accordance with good corporate governance policies and human resource management policies along with business growth for sustainable development. This includes not using child labor or forced labor, as well as having practices to respect diversity, inclusion and equality in the organization regardless of gender, age, nationality, disability, religion or other factors. A fair hiring system is set as one of the frameworks for human resource management operations. No employee will be terminated without just cause, except in cases of serious disciplinary misconduct according to the group's rules and regulations, or other causes that conflict with the organization's work regulations and policies. The group of companies has clear procedures in place and handles such cases with transparency, fairness and lawfulness without discrimination.

Review of the Organization's Compensation and Benefits Structure

In 2023, the HR department conducted a review of the Company's current salary and compensation structure by surveying the compensation rates of other companies in the same or similar businesses in order to determine salary and compensation structures that are in line with the current economic and social conditions, including adjustments to some benefit regulations. The proposals were then presented to management for consideration and approval. However, other factors may also be considered in determining compensation rates, such as skills, knowledge, abilities, performance, and past work experience, as well as benchmark data from the 2022-2023 salary survey reports from various institutes and associations.

Welfare Management System, Compensation and Benefits

The Group determines employee compensation and benefits fairly and appropriately, taking into account the scope of responsibilities of each position and the capabilities of each individual. In addition, the Group requires management to consider employee compensation and benefits to provide motivation that is aligned with the labor market and maintains the organization's competitiveness, as well as consider annual variable performance bonuses that vary according to the Group's operating results. This is set as one of the operational strategy frameworks for human resource management that is currently being drafted.

In addition to compensation, the Group also administers compensation, benefits, and other privileges equally and fairly for all employees, as appropriate to their duties, responsibilities, type of work, qualifications, profession, knowledge, abilities, and job performance. Employee remuneration and appropriate benefits are provided according to economic conditions and cost of living. Employees receive regular income compensation such as salaries, other income e.g. overtime pay, bonuses, provident fund contributions, and various types of benefits and privileges that exceed legal requirements, as well as other welfare such as emergency loans, wedding financial assistance, health insurance for employees and children to alleviate medical expenses when ill, accident insurance, employee uniforms, etc.

Moreover, the Group recognizes the importance of caring for and developing the quality of life of employees, and provides opportunities for employees to participate in making suggestions to employers regarding the provision of welfare, supervision, control, and care of the welfare that employers provide to employees, as well as guidelines for arranging welfare that benefits employees. Employees can submit opinions through the HR department of each company. The HR department of each company, as a working group, will then collectively consult and discuss welfare/benefits/regulations that affect the employees of the group, and report meeting resolutions or proposals to management through proper channels for consideration to optimize benefits for all relevant stakeholders.

Full-time employee benefits or welfare

Key Performance Data	Unit	2021		2022		2023	
		Major branches, BKK	Other provinces	Major branches, BKK	Other provinces	Major branches, BKK	Other provinces
1. Life insurance	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes
2. Health insurance	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes
3. Disability or impairment coverage due to work	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes
4. Maternity leave and childcare rights	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes
5. Retirement benefits	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes
6. Provident Fund	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes
7. Others	Yes/No	Yes	Yes	Yes	Yes	Yes	Yes

Remark: Others refer to employee uniforms, ATK test kits, food discount coupons, etc.

Use of maternity leave and childcare rights

Key performance data	Unit	Year		
		2021	2022	2023
– **Number of employees entitled to maternity leave and childcare**				
Male	Person (s)	–	–	–
Female	Person (s)	186	216	214
– **Number of employees who applied for maternity leave and childcare**				
Male	Person (s)	–	–	–
Female	Person (s)	9	5	5
– **Number of employees returning to work after maternity leave and childcare**				
Male	Person (s)	–	–	–
Female	Person (s)	9	4	5
– **Number of employees returning to work after maternity leave and childcare and continued working for at least 12 more months**				
Male	Person (s)	–	–	0
Female	Person (s)	9	4	5
– **Return to work rate after maternity leave and childcare**	Percent	100	80	100
– **Employee retention rate after returning from maternity leave and childcare**	Percent	100	100	100

Remark: Applicable only for full-time employees, excluding contractual workers

Promoting equal opportunities and diversity of personnel in 2023

Gender Diversity
41.31%
53.28%
58.69%
- Male **304**
- Female **214**

Age Diversity
7.72%
39%
- Under 30 years old **202**
- 30–50 years old **276**
- Over 50 years old **40**

Religious Diversity
2.51
0.58
96.91%
- Buddhist **502**
- Muslim **13**
- Christian **3**

(Unit: Persons)
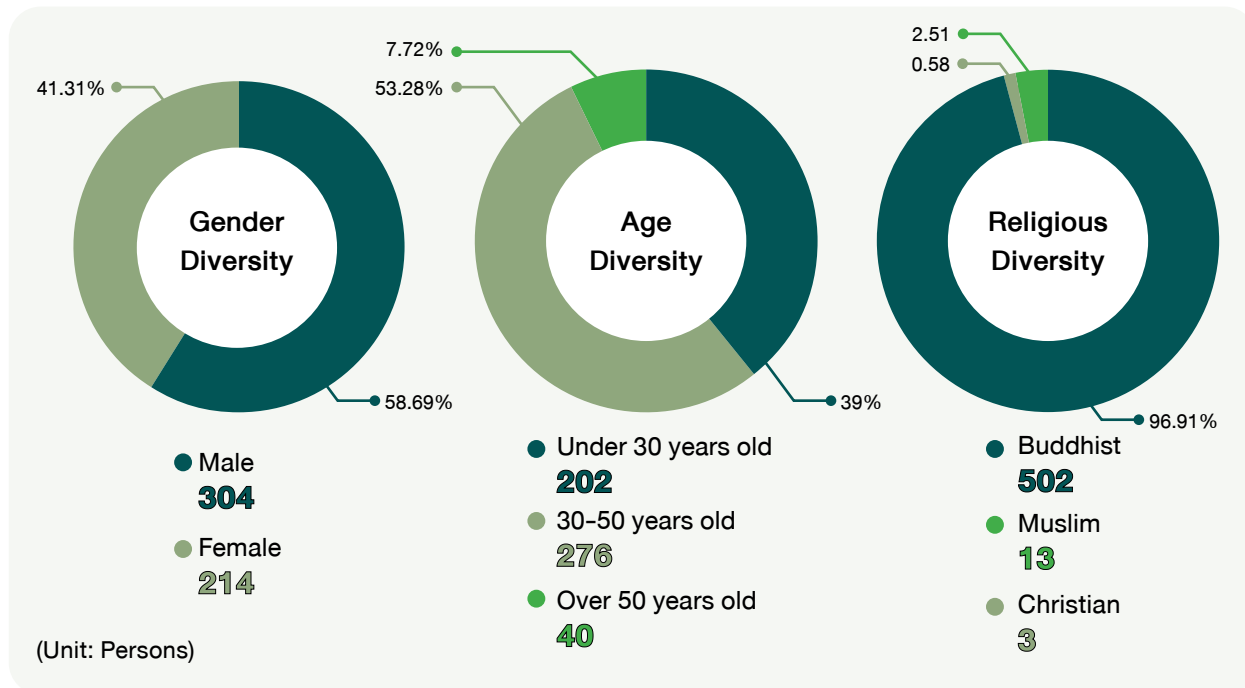
Promoting freedom of expression to improve quality of work life

In 2023, the Management Committee assigned the Sustainability Working Group to study the election of the Welfare Committee in the workplace, which serves as an intermediary for employee needs to be communicated to the employer, in order to reduce conflicts that could lead to labor disputes. The principles of labor relations were used to carry out bilateral activities, as well as to provide opportunities for employees to offer opinions to the employer, promoting relations between the employer and employees. This boosts employee morale and motivation, promotes and develops democratic ideals, leading to participation in solving problems, appropriate welfare and working conditions, increased productivity and work efficiency, and better mutual understanding. It was determined that conclusions would be reached and a plan formulated to hold elections for the Welfare Committee by Q2/2024.

Supporting the Fund for Empowerment of Persons with Disabilities

According to the Act for Empowerment of Persons with Disabilities B.E. 2560, establishments must employ persons with disabilities at a rate of 1% of total employees as of October 1st every year. The company has chosen to comply with Section 34 in order to fulfill the objectives of the Act, which aims to promote employment for persons with disabilities. In 2023, the group of companies contributed 239,440 baht to the Fund for Empowerment of Persons with Disabilities.

Developing a happy workplace organization for employees

In 2023, the Human Resources Department implemented activities called Triple i B-Happy Activities based on the Happy 8 concept (8 elements of happiness in the workplace) from the Thai Health Promotion Foundation. This was to create good employee experiences, making employees feel that the organization values them in areas aligned with their personal interests. It is part of building happiness in the workplace, as well as work-life balance, since the group of companies recognizes that people are the heart of the organization. Organizational success stems from happiness at work, and happiness leads to greater efficiency and effectiveness, in line with the corporate vision to prioritize employees' quality of life. This will enable sustainable development for the Group in the long term.

Triple i B-Happy Activities implemented in 2023

Triple i B-Happy Plan	2023 Triple i B-Happy Activities
Happy Body	• Special lecture "Save lives easily with CPR and AED" • Special lecture "Understand office syndrome" • Special lecture "Popular diseases threatening working age lives... all generations are at risk"
Happy Brain	• "Effective Business Communication" • English training "Effective Business Communication" • Special lecture "Basic repair & maintenance skills for everyday life" • Special lecture "Employee Well Being: Preventive Care"
Happy Money	• Special lecture "Personal income tax and tax deductions" • Special lecture " Happiness through financial planning"
Happy Heart	• Blood donation activity
Happy Society	• Company and Outing Trip
Happy Family	• "Love Mom, Mom Loves" photo contest
Happy Relax	• Relaxing massage to relieve employee muscle pain • Special lecture "Trick for using hotels, airlines and traveling"
Happy Soul	• Dharma talk "Positive mindset on work... no stress"

In 2024, the Group has plans for the HR Department to continue Triple i B-Happy activities by surveying employee interests and needs through each company's HR Department. This is to consider activities that appropriately respond to employee interests and comprehensively cover quality of life in all aspects. Planned activities for 2024 will continue to focus on creating job satisfaction, such as CPR and AED training workshops, self-defense training, lectures on good nutrition with low-calorie meals, mental health solutions, debt reduction techniques, dharma talks on mindfulness to overcome stress, Dynamic Group activities: Integration to unite team strength, relaxing massages, Songkran family photo contests, and more.

Triple i B–Happy Activities implemented in 2023

Blood donation   Save lives easily with CPR and AED

Understand office syndrome   Basic repair & maintenance skills

Performance Evaluation

According to the human resource management policy of the Group, there must be a performance management system for personnel in the organization, in order to continuously drive efficient and effective operations. This can be used as a standard for annual salary adjustments and annual bonus payments. Bonuses depend on the Group's performance, as well as fair consideration of employee position levels based on the competency system and evaluation of concrete key performance indicators (KPIs). Managing this compensation is linked to individual performance results. Employees at all levels must set goals and KPIs aligned with business objectives and strategies that can reflect differences in employee performance without discrimination.

Since 2022, the Group has required all departments to align their operations with the sustainable organizational development strategy. Therefore, the human resources management department studied this strategy and established a performance appraisal framework covering sustainability operations. In 2023, the Group cultivated this values with employees at all levels to gain understanding of sustainability development KPIs.

Employee performance evaluation

	Unit	2021	2022	2023	2027 Targets
Proportion of employees receiving performance evaluation – Group companies	Percentage	100	100	100	100
Proportion of employees aware of KPIs related to corporate sustainability development	Percentage	N/A	N/A	100	100

Remarks: In 2022, the corporate sustainable development strategy was first implemented and the guidelines for performance evaluation aligned with this strategy were under review. Therefore, in 2021–2022 the relevant data is unavailable.

Creating Organizational Culture

By integrating the capabilities of the four main business groups and the business development department, the Group has led the way in building organizational values and culture cohesively. This is aimed at propelling the Group towards sustainable success in alignment with the organizational mission on a shared foundation of mutual sustainability.

After restructuring the organizational structure and business operations in 2022 to align with the organization's sustainable development strategy under the three pillars of People, Planet, and Profit, one of them focuses on strengthening the human resources of the Group, which currently employs more than 500 people. The organizational values stem from the commitment and care of the management in defining a strategic culture through shared values (3's III). The goal is to lead the attitudes and behaviours of the organizational group in the same direction, which is the essence behind the name of the Company, TRIPLE I LOGISTICS. The three "I"s have the following meanings:

INTEGRATION

Confidence in the power derived from aligning strengths and linking potentials, both within the organization and between the organization and business partners to create maximum efficiency in business operations and sustainable growth.

INNOVATION

Promoting creative thinking with a dedicated focus on developing innovations in logistics services, coupled with a commitment to self-improvement and recognizing the value of learning to be prepared for work and to create a distinctive difference for the organization.

INTIMACY

Emphasizing the delivery of logistics services that are suitable and excellent for customers and partners, arising from attentiveness and understanding of their need to build trust based on responsibility and honesty, leading to enduring partnerships.

Additionally, the Group has the goal of being an innovative organization that is agile, fostering employees to showcase their full potential. This includes providing a conducive and safe working environment, as well as supporting equal opportunities for personal development to become an outstanding organization in sustainable development.

Management Guidelines

The Group believes in cultivating a high-quality workforce whose capabilities align with the organization's values and the vision of the management team, driving the organization in a unified direction. Over time, the Group has emphasized the implantation of a culture and organizational values based on a cultural framework throughout various projects. This is aimed at ensuring that employees are well aware of the organizational values, fostering awareness and understanding, and enabling them to be ambassadors of the organization that reflect its image. This approach aims to strengthen the organization within the industry, serving as a commitment to jointly lead the organization towards sustainable success. By implementing the principles of the 3 I's, the Group operates with the following details:

INTEGRATION	• Encouraging employee participation in expressing ideas and collaborative work through strategic initiatives to foster good camaraderie and enhance operational efficiency within organizational units and among affiliated companies. • Emphasizing holistic coordination, decentralizing responsibilities from centralized operations, and focusing on inclusive participation to work as a team both within the Company and across the Group.
INNOVATION	• Focusing on fostering innovative thinking, developing innovative management systems across all departments, and creating new projects with operational systems originating from within the organization. This aims to reduce the risk of errors in work processes by adapting operations through the utilization of software and technology. Additionally, it involves implementing monitoring and data management through network systems in various departments. • Providing training in creative knowledge management, advancing product and service delivery, and generating new innovations in the workplace to align with the organization's mission and collectively achieve shared goals.
INTIMACY	• Reinforcing organizational values through departmental meetings and sub-group meetings within the Group, emphasizing the creation of mutual relationships. This includes weekly and monthly meetings. • Enhancing internal communication channels within the organization, facilitating communication between the CEO and high-level management with employees at various levels. This is essential for preparing for business changes and/or addressing significant issues. • Implementing career development projects to enhance professionalism, transfer and develop specific skills within new job domains. This aims to minimize job turnovers and create continuity in work processes that can effectively meet the diverse needs of customers. • Cultivating positive relationships with customers, partners, and business allies to foster mutual understanding, collaborative problem-solving, and promote continuous and sustainable development of collaborative work processes.

Performance

The Group places significant emphasis on fostering a strong bond between employees and the organization. Employees are recognized as crucial assets responsible for delivering the value of Group's products and services to customers and stakeholders, as well as contributing to driving the organization towards sustainable and enduring success. The Group, therefore, establishes activities or initiatives to support the creation of employee engagement with the organization, such as:

- Organizing various events that foster employee engagement, such as New Year's social gatherings, involving employees in CSR activities that interest them, participating in charitable activities during important Buddhist festivals, and organizing ceremonies for executives to bless the staff.
- Conducting public relations activities to ensure that employees understand and have appropriate channels of communication to access comprehensive information to make them feel that the Group prioritizes providing them information. Additionally, opening channels for employees to inquire about various information at any time.

Survey on Organizational Values and Culture Perception

To ensure that employees within the organization are aware of the organizational values, the Group has established a survey on organizational values perception through annual employee training and orientation for new staff. The operational outcomes and proportional objectives for perception are as follows:

Survey Results on Organizational Values Perception

Survey of Organizational Values Perception	2021	2022	2023	2027 Targets
Percentage of Perception through Annual Training	–	78%	100%	over 90%
Percentage of Perception through New Employee Orientation	–	88%	100%	100%

Remark: The Group conducted a survey on organizational values perception through annual employee training and new employee for the first time in 2022.

From the survey results on organizational values and culture perception in 2023, it was found that employees in the Group demonstrated a high level of awareness of organizational values and culture. This applies to the aspects of Integration, Innovation, and Intimacy. The survey indicated that employees are highly satisfied with the organizational values and culture, with a satisfaction rate of up to 80.00%.

Results of the analysis of the average (x) and standard deviation (S.D.) of the job satisfaction level of the Triple I Logistics Public Company Limited group

Job Satisfaction	X	S.D.	Score Level
3. Shared Values and Organizational Culture (3i)	4.00	.664	High
3.1 You recognize the unity in providing support and working as a team in the Group (Integration)	4.02	.839	High
3.2 You recognize the culture of creativity in developing and improving the work of employees and departments (Innovation)	3.96	.758	High
3.3 You recognize the importance of accessibility and responsiveness to the needs of employees towards customers or clients (Intimacy)	4.03	.688	High

Job Satisfaction Level	Percentage
1. Duties and Responsibilities	81.80
2. Organizational Leadership	81.60
3. Values and Organizational Culture (3i)	80.00
4. Employee Development and Progress	78.80
5. Human Resource Management	76.00
6. Performance Evaluation	75.60
7. Safety, Occupational Health, and Working Environment	75.40
8. Welfare and Compensation	71.80
Average	**77.60**

Employee Survey on Job Satisfaction and Organizational Engagement

From the results of the employee survey regarding job satisfaction and employee engagement towards the organization in 2023, it was observed that both the level of job satisfaction and the level of employee engagement towards the organization have increased compared to the survey results in 2022. Specifically, the level of job satisfaction has increased by 0.60%, and the level of employee engagement towards the organization has increased by 1.60%.

Survey Results on Employee Satisfaction and Engagement

Description	2022		2023	
	%	Score Level	%	Score Level
Job Satisfaction	77.00	High	77.60	High
Engagement Level towards Organization	80.80	High	82.40	High
Overall Average	78.90	High	80.00	High

The Group has set a goal to achieve an employee engagement level exceeding 70%, as this target is a vital component of the organization's sustainability strategy. The increased survey results in both job satisfaction and employee engagement are attributed to the organization's efforts in utilizing the feedback from the previous year's survey to develop and enhance employee care, aligning it more closely with the needs of the workforce.

New Hire and Turnover Statistics

In 2023, there were 118 new employees, representing a new employee hiring rate of 22.8% compared to 2022. Meanwhile, the resignation rate decreased by 25.5%, settling at 14.7%. A total of 76 employees resigned voluntarily during the year.

New Hire and Turnover during 2021–2023

Description	Year		
	2021	2022	2023
New Hire (Person)			
Total	**104**	**108**	**118**
Female	46	45	34
Male	58	63	84
Turnover (Person)			
Total	**327**	**190**	**76**
Female	94	42	32
Male	233	148	44
Voluntarily Turnover (Person)	N/A	N/A	76

Remark: Since 2023 marks the first year the Group has collected data on the number of voluntarily turnover, data for 2021–2022 cannot be provided. Interested parties can explore the number of employees by gender and employment contract type, new hires and resignations by gender and age, employees divided by operational area, and benefits or entitlements for full-time permanent staff in the Sustainability Report 2023,

New Hire Rate and Turnover Rate during 2021–2023

New Hire   Turnover
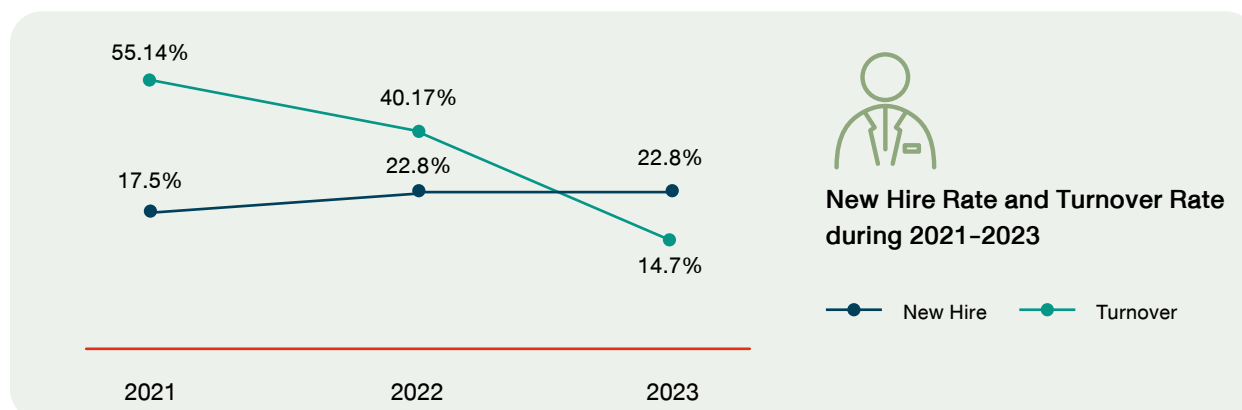
Remark: The Group underwent restructuring from 2020 to 2022 to enhance business management flexibility. Consequently, the employee turnover rate in the Group in 2023 showed a trend of decline.

Human Rights

Management Guidelines

The Group respects the fundamental rights that all people should receive equally, and promotes the protection of human rights in the business operations of the group of companies in all dimensions, by taking into account the value and dignity of individuals, which is considered a fundamental virtue of working and living together and developing approaches to managing any complaints that may arise, in order to reduce the chance of negative impacts occurring in a timely manner.

As a regional integrated logistics group, we have long recognized the importance of conducting business based on human rights principles and promoting labor practices in line with international standards. We are committed to expanding the scope of our human rights operations to cover the personnel of the group of companies, customers, business partners, all business allies, and stakeholders across the entire supply chain in accordance with the Labor Protection Act, the Labor Relations Act, and other relevant laws. This includes referencing international human rights best practices such as the Universal Declaration of Human Rights (UNDHR), the UN Guiding Principles on Business and Human Rights (UNGP), the United Nations Global Compact (UNGC), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, as well as labor laws in every country where the group of companies operates. This ensures that internal and external stakeholders receive equal treatment and care, and that the Group's business operations are free from human rights violations.

Alignment and Goals on Human Rights Issues

Human Rights Issues (UNSDGs)	Sustainable Development Goals to Achieve by 2027
SDG 3: Good health and Well-Being	• Promote for office space and warehouses to be safe and have good hygiene. Provide welfare that is conducive to good work. • Implement quick and effective responses to incidents that have an impact on the environment, the health of employees, and surrounding communities, as well as create awareness of social and environmental responsibility.
SDG 8: Valuable Work and Growing Economy	• Set remuneration in line with skills, knowledge, and abilities. Conduct fair assessments at all levels of employment which is the same standard for the entire of the Group. • Develop employees with the same standard throughout the organization as well as respond to the needs of customers quickly and completely. Raise awareness of respect for human rights together with business partners. • Establish succession plans in positions that are important at the executive level and above. • Provide a safe transport management system to have zero accident.
SDG 10: Respecting Differences and Reducing Inequality	• Determine a fair, suitable, and competitive compensation structure. • Do not discriminate against gender, age, race, religion, skin color, or language. Do not allow oneself or others to seek benefits within the Group. Treat business partners and/or creditors equally, including purchasing in a fair manner and arranging fair labor. • Work with equality without discriminate among groups, generations, or institutions in working, promotion, or demotion, termination of employment due to gender differences. Do not discriminate against women workers, including not employing child labor and forced labor.

Human Rights Due Diligence: HRDD

The Group has conducted human rights due diligence as an ongoing risk management process. The objectives are to identify prevention, mitigation measures, and consider how the group addresses human rights impacts throughout its business activities.

Human Rights Due Diligence (HRDD) Operation Process

1.   Reviewing and communicating human rights policies

In line with the organization's sustainable business development goals, all activities within the business value chain must not violate human rights as specified in the human rights policy that all personnel adhere to.

In 2022, the Company established a human rights policy and specified an annual review to examine human rights issues covering all stakeholder groups. The company still operates based on the principles of freedom, equality, and human dignity, without discrimination based on gender, age, race, religion or skin color, in order to prevent and avoid human rights violations against employees, customers, business partners, contractors, communities and vulnerable groups such as children, women, the elderly and disabled. This covers opposition to human trafficking, forced labor, child labor, discrimination, all forms of harassment or sexual abuse, freedom of association, collective bargaining rights, and other human rights.

(Those interested can study the Company's human rights policy at https://investor.iii-logistics.com/th/corporate-governance/cg-report-and-download)

2.　Identifying relevant human rights issues

The Group identified human rights issues relevant to the group's business activities by benchmarking against other logistics service providers. The scope of the Group's relevant human rights risk assessment includes:

Labor rights

- Employee health and safety at work
- Working conditions
- Labor discrimination
- Freedom of association and collective bargaining
- Child labor and forced labor

Business partner and contractor rights

- Health and safety of business partners working on company premises
- Security of business partner information
- Discrimination against business partners
- Illegal labor hiring

Customer rights

- Customer health and safety
- Security of customer information
- Customer discrimination

Community and environmental rights

- Community health and safety
- Living standards and quality of life
- Waste and hazardous materials management

3.　Assessing human rights risks and impacts

The Group assessed human rights issues to prioritize risks, using the following criteria:

Vertical axis:　Impact Level criteria considering severity of impact, scope of impact, and remediation capability, divided into 4 levels:

　　　1 Low　　2 Medium　　3 High　　4 Very high

Horizontal axis:　Likelihood criteria considering probability of occurrence, divided into 4 levels:

　　　1 Low　　2 Medium　　3 High　　4 Very high

Table of human rights risk assessment for the Group

Very High — Level of risk: Unacceptable

Immediate consideration must be given to increasing management measures to reduce the risk level to an acceptable level.

High — Level of risk: Becoming unacceptable.

Consideration must be given to increasing management measures to reduce the risk level to an acceptable level.

Medium — Level of risk: Surveillance

It is a level that is still acceptable.

Low — Level of risk: Acceptable

Adequate measures to deal with the risks are available.

4.   **Defining mitigation measures and prevention**

In 2023, the Group considered all 24 potential human rights risk issues arising from the group's business activities. Based on the risk assessment table, all risks were at a low level with adequate measures to address them.

5.   **Monitoring and reporting on human rights performance**

The Group monitors and follows up on human rights performance, providing continuous human rights training to employees, raising awareness of the organization's human rights policy among all stakeholder groups, in order to be alert for issues that pose risks of negative impacts from the Group's activities.

Moreover, human rights risk issues relevant to the Group's operations may change as activities and stakeholder groups evolve. The Group must regularly review risk issues to define and improve measures, preventive guidelines, and solutions in an efficient manner.

The Group discloses information on its human rights operations annually through sustainability reports, annual reports, and the Company website. It provides channels for stakeholders to report any human rights violations to the Company. Grievance mechanisms are another channel to reduce, manage and track human rights violations. The Company has established whistleblowing policies and provides multiple channels to receive complaints from internal and external stakeholders.

Channels for reporting human rights violations

By mail

To   Secretary of the Good Corporate Governance and Sustainable Development Committee

Address: Triple i Logistics Public Company Limited
            628 Triple i Building, 3rd Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120

2. By Email: whistleblowing@iii-logistics.com

3. Via the Company website whistleblowing channel, human rights violations topic: https://investor.iii-logistics.com/th/corporate-governance/whistleblowing-channel-form

6.   **Establishing remediation mechanisms**

The Group is well aware that its and subsidiaries' business activities may be linked to human rights violations against relevant stakeholders.

In cases of human rights violations, the Group pledges to undertake appropriate remedies, with ongoing monitoring, investigation, and reporting. Moreover, the group will consider all forms of remedy to ensure effective redress for rightsholders impacted by the human rights abuse, including various forms of compensation to improve the situation for those harmed.

The Group's remediation guidelines
- Apology
- Compensation
- Financial remuneration
- Non-financial benefits
- Other assistance and remedies

In cases of human rights violations, the Group will conduct fair investigations and impose the following punitive measures:
- Verbal warning, recorded in writing
- Written warning
- Unpaid suspension not exceeding 7 days
- Termination without compensation

Performance

- The management committee assigned the sustainability working group to study organizing employee welfare committee elections and conclude with an election plan by Q2/2024, to serve as an intermediary for employee needs to employers, reducing conflicts leading to labor disputes. It utilizes labor relations principles for bilateral activities, and provides employees channels to propose opinions to employers, promoting relations between employers and employees. This boosts employee morale and motivation, promotes democratic ideology, leads to participative problem-solving, appropriate welfare and work environments, increased productivity and efficiency, and better mutual understanding.
- A social sustainability taskforce has been established, which has the role and duty to develop comprehensive sustainability covering human rights issues.
- There has been a review of human rights policies and communication to all stakeholder groups.
- The Group conducts comprehensive human rights due diligence (HRDD) and measures, by identifying human rights risks and impacts that may arise from the group's business activities and establishing risk management measures to mitigate impacts and remediation processes for identified high-risk human rights issues.
- Multiple channels have been established for filing complaints regarding human rights violations.
- A supplier code of conduct has been developed which includes content covering operations aligned with human rights principles.
- Human rights principles have been added as a criterion for supplier selection.
- The Group communicates and clarifies its human rights policy to new and current employees annually. In addition, human rights knowledge is also communicated through the monthly online magazine E-Zine: HR Connect, regarding social security rights of female and male employees, as well as knowledge on labor laws. This aims to enhance knowledge and understanding and develop capabilities to effectively implement good human rights principles and practices. The Group ensures that employees are properly taken care of and treated by the Group in accordance with their legal rights and contractual agreements fairly, so that employees truly feel a part of the organization.

Human Rights Performance	Unit	2021	2022	2023	2027 Targets
Number of employees who received human rights knowledge communication	Percent	–	–	100	100
Number of significant complaints regarding human rights and equality	Issue	0	0	0	0

Human Resource Development

The Group recognizes the importance of developing the capabilities of human resources. Since the core businesses of the Group require specialized expertise from personnel, promoting employees to develop knowledge, skills, as well as applying various innovations and technologies to operations is crucial to organizational growth. Through the process of personnel capability development, it is imperative for sustainable organizational development. Therefore, the Group has established human resource management policies and personnel capability development plans. The goals are to develop personnel capabilities adequately to drive the organization according to strategies for efficient business operations, especially promoting a learning organization. In addition, there is a commitment to provide opportunities for all employees to advance in their career paths through learning coupled with appropriate development in various formats suitable for each employee group (Re-skill & Up-skill), as well as supporting employees to continuously self-develop, to improve their skills and capabilities for more efficient performance. This promotes quality of life and establishes a culture of sustainable learning in the organization.

Management Guidelines

To ensure business continuity as the organization expands, the Group has reviewed the personnel capability development plan to align with current business directions and strategies, which must create a balance between economic, governance, environmental and social dimensions. In 2023, the human resource management division developed the Triple i Human Capital Development Roadmap to accommodate these changes, and also started implementing Individual Development Plans and reviewing Succession Plans to mitigate operational risks in case key positions become vacant. Competency standards have been studied along with monitoring processes, and other necessary factors considered, to make succession planning concrete. This includes identifying high potential and high performing employees, and determining criteria for succession plans for key positions. International tools are utilized such as 360 degree assessments (Leadership Competency Assessment, Leadership Potential Assessment) and employees' past performance to categorize successor candidates. The successor identification process is continuously reviewed every 3 years.

Human Resource Development Plan 2022–2027			
Preparation Phase (2022)	Plan Development Phase (2023)	Implementation and Monitoring Phase (2024–2026)	Scaling Up Phase (2027)
Review and draft human resource development strategies aligned with organizational sustainability strategies	Obtain approval to implement the plan	Implement, review, evaluate, monitor, and adjust as appropriate	Monitor implementation, summarize and scale up, review strategies every 3 years
Plan and budget for human resource development	Obtain approval for budget to implement the plan	Implement, review, evaluate, monitor, and adjust as appropriate	Monitor implementation, summarize and scale up
Draft succession planning management	Determine positions for succession planning and develop successors' skills and capabilities	Implement, review, evaluate, monitor, and adjust as appropriate	Evaluate successors, monitor implementation, summarize and scale up
Study and draft individual development plans (IDPs)	Select sample group and implement plans	Implement, review, evaluate, monitor, and adjust as appropriate, expand IDP to other groups	Monitor implementation, summarize and scale up

Human Resource Development Plan 2022–2027			
Preparation Phase (2022)	**Plan Development Phase (2023)**	**Implementation and Monitoring Phase (2024–2026)**	**Scaling Up Phase (2027)**
Study to increase diverse learning channels for employees	Develop knowledge management plans and budget for approval	Implement, review, evaluate, monitor, and adjust as appropriate, develop skills for employees to create and share their own content	Monitor implementation, summarize and scale up
Study professional development in specialized fields	Develop professional development plans in specialized fields	Implement, review, evaluate, monitor, and adjust as appropriate	Monitor implementation, summarize and scale up

Succession plans are implemented for key positions in the Group, to transfer knowledge, skills and capabilities, and ensure continuity for key positions. The focus is on internal recruitment first before external recruitment, to provide opportunities for career advancement to employees with high performance capabilities and consistent outstanding performance.

Succession Plan Process

The Group will select applicants who meet the evaluation criteria components, by asking for voluntary participation, and propose the list to the Nomination and Remuneration Committee for final consideration.

Consider key positions

Define key position requirements and selection criteria

Identify and select potential successors

Monitor and evaluate potentials of selected successors

Develop and review individual development plans for selected successors
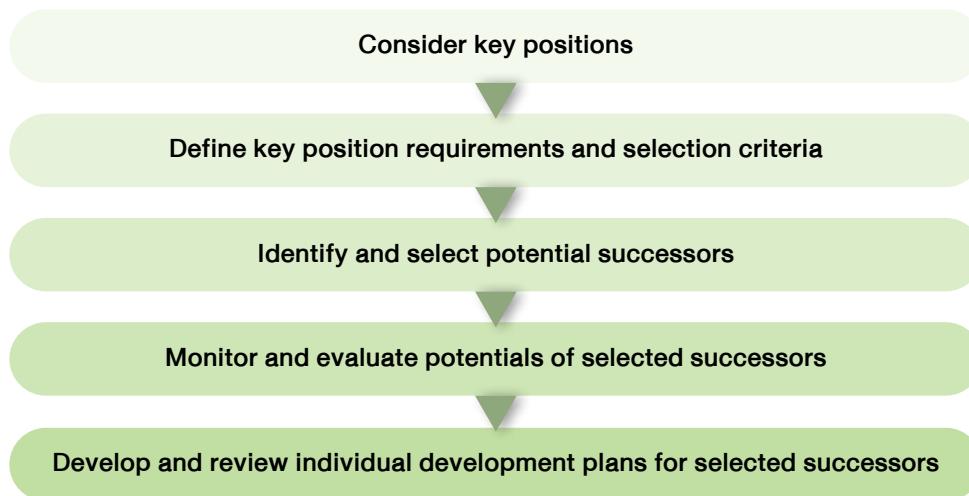
The Company's succession plan has been prepared by the meeting of working group of relevant parties to consider and determine the following criteria:

- **Selection of potential position and determination of criteria of qualified potential candidate for replacement**

The selection of potential position which requires potential successor for replacement is the first important step for the preparation of succession plan. However, it can select from the position which has been prepared career path for the preparation of succession plan of Company's management position. This time, the company has selected potential position from position which has been prepared career path and has selected from additional potential position in accordance with appropriation of the following positions:

1. Chief Executive Officer
2. Chief Financial Officer
3. Managing Director
4. Executive Director

Each of potential position has determined main duties and responsibilities, main achievements, main performance indicators, knowledges, skills and capacities including primary criteria for selection of potential candidates.

- **DETERMINATION OF POTENTIAL CANDIDATES TO BE SUCCESSOR**

To clearly determine the selection process for successor of Chief Executive Officer, Chief Financial Officer, Managing Director and Executive Director.

- **MONITORING, EVALUATION AND ADJUSTMENT OF DEVELOPMENT METHODS**

To develop potential candidates for the replacement of potential position, the Succession Committee shall appoint the career coach of which such career coach or first level supervisor or assigned person to monitor potential candidate as successor, and shall monitor the performance of such potential candidate and review the performance of such candidate from time to time by discussing the capacities which have been developed and which have not been developed, and providing feedback to such candidate to acknowledge his or her strength and weakness in order to develop the knowledge, skill and capacity of working as assigned in the present and in the future including changing method of development and adjusting ability as appropriate as well as preparing of plan of further development.

The Board of Directors realizes the importance of preparing a succession plan for the Chief Executive Officer and high-level executives to ensure that the Company can continue its business. The Nomination and Remuneration Committee is assigned to consider the criteria and review the succession plan for the Company's top executives and report to the Board of Directors for acknowledgment on an annual basis.

Individual Development Plan

Individual development plans are systematically created to develop employees and prepare them with qualifications, abilities and capabilities for various job positions. The main objectives are to improve weaknesses and build greater strengths, starting from competency assessment, competency gap analysis, determining competencies for development, implementing development through various methods according to the plan and timeframe, and monitoring development progress. This is to ensure employees meet expected competencies for those positions.

After employee development according to the plan and timeframe, supervisors will identify behavioral development outcomes, i.e. how much and in what ways employees have changed, such as increasing sales volumes, improving work efficiency, reducing certain organizational costs, etc.

Training Need Survey

The human resources department conducted an annual training needs survey with employees in the Group, and analyzed the data to identify training and knowledge development needs. This information is used to develop the annual training plan to meet the goals of improving employees' skills, knowledge, capabilities and potential, so they can work effectively and achieve organizational goals. The annual training plan consists of mandatory courses based on regulations, policies and laws; management-directed courses; job-specific necessary courses; and future-skilled courses. This competency-based annual personnel training and development plan categorizes Training Needs Metrics at 3 levels: organizational, unit, and individual, as follows:

Training Need Metric (Strategy Level & Competency)

ลำดับ	หน่วยงาน	CC1 เสถานศักยภาพการทำงานร่วมกัน	CC2 สร้างสรรค์สิ่งใหม่	CC3 ใส่ใจลูกค้า	FC1 การสื่อสารอย่างมั่นใจระดับสากล	FC2 การบริหารเวลา	FC3 การปฏิบัติงานเชิงรุก	FC4 การเรียนรู้อย่างต่อเนื่อง	MC1 ความเป็นผู้นำ	MC2 การบริหารเชิงกลยุทธ์	MC3 การบริหารการเปลี่ยนแปลง	MC4 การแก้ปัญหาและตัดสินใจ	MC5 การแบ่งเป็นวิสัยทัศน์และคุณค่า	MC6 การดำเนินธุรกิจความยั่งยืน	หมายเหตุ
1	ระดับองค์กร	×	×	×											
2	ระดับหน่วยงาน				×	×	×	×	×	×	×	×	×	×	
3	ระดับบุคคล	×	×	×	×	×	×	×	×	×	×	×	×	×	

Training Need Metric (Department & Competency)

ลำดับ	หน่วยงาน	CC1 เสริมสร้างศักยภาพการร่วมกัน	CC2 สร้างสรรค์สิ่งใหม่	CC3 ใส่ใจลูกค้า	FC1 การสื่อสารอย่างมีประสิทธิภาพ	FC2 การบริหารเวลา	FC3 การปฏิบัติงานเชิงรุก	FC4 การเรียนรู้อย่างต่อเนื่อง	MC1 ความเป็นผู้นำ	MC2 การบริหารเชิงกลยุทธ์	MC3 การบริหารการเปลี่ยนแปลง	MC4 การแก้ปัญหาและตัดสินใจ	MC5 การแบ่งปันวิสัยทัศน์และเคารพคุณค่า	MC6 การดำเนินธุรกิจด้วยความยั่งยืน	หมายเหตุ
1	ฝ่ายขาย				×		×	×	×				×		
2	ฝ่ายบริการลูกค้าและปฏิบัติการ				×	×	×	×							
3	ฝ่ายบัญชีและการเงิน		×			×	×	×							
4	ฝ่ายประธานเจ้าหน้าที่บริหาร		×						×	×				×	
5	ฝ่ายทรัพยากรบุคคล				×		×	×		×					
6	ฝ่ายธุรการและบริหารงานทั่วไป		×		×	×			×				×		
7	ฝ่ายพัฒนาธุรกิจ					×		×	×	×					
8	ฝ่ายกฎหมายและข้อบังคับ		×						×	×					
9	ฝ่ายสื่อสารองค์การ		×		×				×			×	×		
10	ฝ่ายลงทุนสัมพันธ์			×	×		×			×					
11	ฝ่ายเทคโนโลยีสารสนเทศ		×		×	×			×	×		×	×		
12	ฝ่ายคลังสินค้า	×		×	×	×			×	×	×		×		

Training Need Metric (Position Level & Competency)

ลำดับ	หน่วยงาน	CC1 เสริมสร้างศักยภาพการร่วมกัน	CC2 สร้างสรรค์สิ่งใหม่	CC3 ใส่ใจลูกค้า	FC1 การสื่อสารอย่างมีประสิทธิภาพ	FC2 การบริหารเวลา	FC3 การปฏิบัติงานเชิงรุก	FC4 การเรียนรู้อย่างต่อเนื่อง	MC1 ความเป็นผู้นำ	MC2 การบริหารเชิงกลยุทธ์	MC3 การบริหารการเปลี่ยนแปลง	MC4 การแก้ปัญหาและตัดสินใจ	MC5 การแบ่งปันวิสัยทัศน์และเคารพคุณค่า	MC6 การดำเนินธุรกิจด้วยความยั่งยืน	หมายเหตุ
1	พนักงานระดับปฏิบัติการ	×	×	×	×	×	×	×							
2	พนักงานระดับผู้บริหาร	×	×	×					×	×	×	×	×	×	

Employee Training

To develop capabilities and upskill employees, the group of companies has established a personnel development framework linked to organizational strategies, to improve work efficiency and concrete learning. Training is provided in both on-site and online formats for employees' learning convenience. Additionally, the HR department receives feedback from managers and trained employees to improve courses and adapt training formats to rapidly changing situations and circumstances. Annual job performance and career development reviews by line managers are also conducted.

Performance

Results of Development per Individual Development Plans (IDPs) and Performance Analysis

The results of employee development through individual development plans (IDPs) indicate that most employees' work behaviors improved, such as better communication skills, less ambiguity in coordinating with others, more systematic work methods, fewer work errors, learning and understanding new tasks better, improved problem-solving and decision-making regarding various situations, increased accountability and on-time delivery resulting in higher customer satisfaction, and better time management when meeting customers. All these led to overall better organizational outcomes. However, some departments felt certain employees should have continuous development plans in subsequent years, to drive concrete changes aligned with competencies of those positions.

Evaluating the return on investment (ROI) in human capital development, which is the resource that can best create a competitive edge, is another area the company focuses on. The company must also review IDPs, an important tool to enhance employee capabilities, to determine ongoing development plans systematically.

Results of Annual Training Needs Survey

The HR department can utilize the survey results to develop training and development plans for the Group's employees based on strategic levels as follows:

Employee training and development plans separated by strategic levels		
Organizational Level	**Unit Level**	**Individual Level**
• Knowledge about logistics business • Shared values and organizational culture • Business ethics • Laws related to business operations • Knowledge of ISO 9001:2015 quality system • Enterprise risk management • Energy management within the organization • Developing organizational sustainability • Basic firefighting and fire evacuation drills	• Creating a mindset for proactive work • Service psychology and reaching customer needs • Change management • Sales techniques for logistics sales • Logistics technology to increase work efficiency • Inbound and outbound transportation of goods for customer service. • Analysis of financial statements and accounting standards. • English for Effective Business Communication	• Developing communication skills at work • Developing strategic ideas and plans. • Time management techniques • Leadership Development Program • Job position-specific courses

Employee Training Results

The group of companies provided training to develop capabilities of personnel at all levels throughout the year, specialized skills training by external organizations (Public training), and annual training. In 2023, the average training hours per employee was 57.94 hours/person/year. Including on-the-job training (OJT) to develop capabilities and upskill employees.

Total employee training hours: **30,014** hrs.

Male **22,045** hrs.
Average training hours for male **72.51** hrs./person

Female **7,969** hrs.
Average training hours for female **37.24** hrs./person

Classified by level:

Senior management training hours: **178** hrs.
Average training hours for senior management **29.67** hrs./person

Middle management training hours: **1,871** hrs.
Average training hours for middle management **34.02** hrs./person

Operational staff training hours: **27,965** hrs.
Average training hours for operational staff **61.19** hrs./person

In 2023, the Group provided an English language skills training on "Effective Business Communication" with the objective of developing English proficiency for business use – listening, speaking, reading and writing. The evaluation results of the "Effective Business Communication" course indicated that the trained employees had an average satisfaction rating of 83.88%. Furthermore, customer satisfaction survey data showed over 90% of customers were satisfied with employees' English communication skills.

Participants satisfaction rating

Customer satisfaction rating **90%**

Curriculum **80.00%**

Speakers **91.16%**

Training Management **80.48%**

In 2023, there are a total of 100 training courses available, covering various topics such as Organizational sustainability and environmental impacts, Cross-border freight transport, Logistics management system and transportation risk management, Risk management on financial accounting systems, Electronic data linking with the Customs Department through the NSW system, Training for providing service with a customer-centric approach, Advanced firefighting, Aviation security awareness, Logistics business and supply chain knowledge, Inland transit & carrier liability and marine cargo insurance, Dangerous goods regulations, Cross-border transport and customs formalities, and Labor law in the digital age, among others.

Average training hours per person per year

	Unit	2021	2022	2023	2027 Target
Average training hours for all employees	Per Person Per Year	28.47	28.35	57.94	At least 40 hours

Average training expenses, individual development plans, succession plans

Description	Unit	2021	2022	2023
Average training expenses	Baht/Person	–	2,635.65	3,074.30
Proportion of employees with individual development plans	Percent	–	0	100
Proportion of key positions with succession plans	Percent	–	0	100

Remark: Due to the review and revision of personnel capability development plans to align with organizational sustainability strategies, and the recent incorporation of individual development plans and succession plans in the human resource management policy effective 23 June 2022, there was no implementation of individual development plans and succession plans in 2021. Average training expenses have also not been systematically recorded yet.

Annual Performance Review Proportion

Description	Unit	2021	2022	2023
Annual Performance Review (by Gender)				
Male	Percent	100	100	100
Female	Percent	100	100	100
Annual Performance Review (by Level)				
Senior Management	Percent	100	100	100
Middle Management	Percent	100	100	100
Operational staff	Percent	100	100	100

Workplace Safety Management

Effective occupational safety management builds business confidence in the organization. The Group must therefore take into account the occupational safety of employees, business partners, especially business partners who provide transportation services to the Group, and stakeholders in the company group's business chain. We are committed to creating safe working processes throughout every business chain, both in terms of occupational safety policies and through the continuous implementation of occupational safety management systems, for good quality of life, safety and accident prevention that causes work-related injuries or illnesses. This is in line with sustainable safety under the occupational health and safety policy, towards target 8 (point 8.8) to protect labor rights and promote safe working environments for all workers, which is one of the 17 Sustainable Development Goals of the United Nations.

Management Guidelines

The Group implements occupational safety management at the organizational level through policies and management standards, manuals, regulations, and legal requirements related to occupational health and safety, as well as audits and analysis of the effectiveness of occupational health and safety operations. The Group is committed to being an accident-free and injury-free organization (Zero Accident) by prioritizing the safety of employees at all levels including contractors. The Group manages occupational health and safety in accordance with national and international laws and standards, regularly assesses and reviews safety risks, and continuously improves the group's safety systems and control measures to become a role model in occupational health and safety.

The occupational health and safety goal at the organizational level is to reduce work-related accidents and injuries to zero, with no fatalities. The Group has guidelines to develop a culture of workplace safety along with personal safety to build confidence among stakeholders. Managing work safety is key to building a strong foundation for becoming a sustainable leader in the logistics business.

Hazard Identification, Risk Assessment and Risk Control Measures

The Group continuously and systematically identifies hazards through a total quality control and management system and assesses risks according to the corporate risk management manual, which sets out preventive measures according to a hierarchy based on the risk level of the work. The specified safety measures are communicated to all workers for strict adherence. Monitoring is conducted to evaluate risks during actual work, and outcomes are reviewed after work completion. The risk assessment applies the concept of the hierarchy of controls, which reduces the risk of work-related illnesses and injuries in order of control effectiveness as follows:
1. Elimination
2. Substitution
3. Engineering Control
4. Management Control
5. Personal Protective Equipment

Hierarchy of Controls

Most effective / Least effective	Control	Description
Most effective	**Elimination**	**Physically remove the hazard**
	Substitution	**Replace the hazard**
	Engineering Controls	**Isolate people from the hazard**
	Administrative Controls	**Change the way people work**
Least effective	**PPE**	**Protect the worker with Personal Protective Equipment**
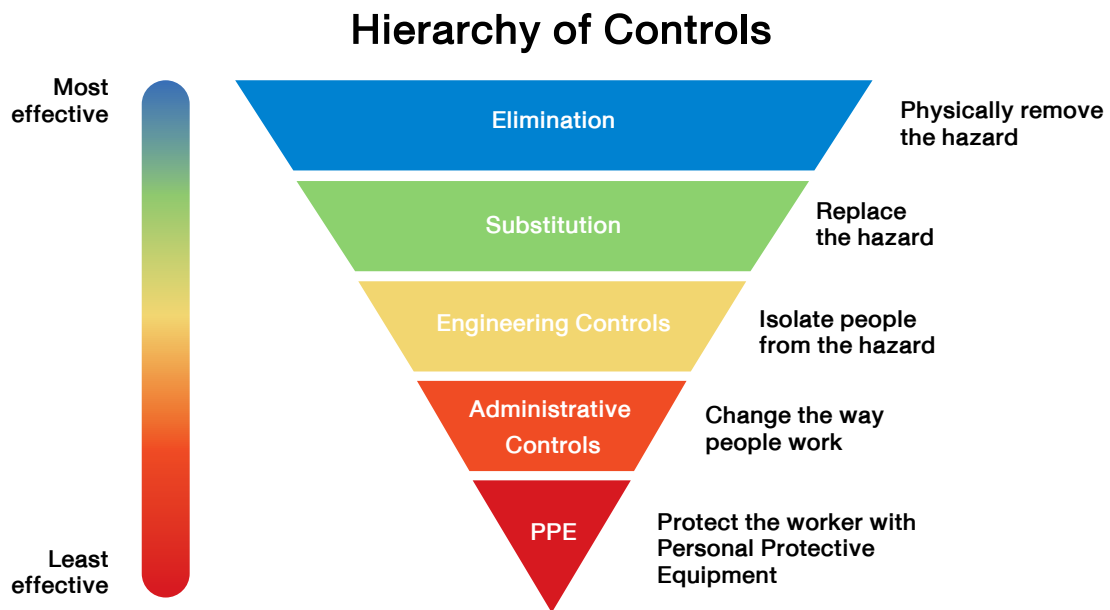
Controlling the Work Environment

The Group regularly monitors and evaluates work environmental conditions, such as measuring light intensity in work areas, so that all workers perform their tasks in a suitable and non-hazardous environment for health, reducing the chance of occupational illnesses. The Group provides personal protective equipment, emergency equipment, basic first aid kits, and emergency response plans for work-related illnesses suitable for the type and nature of work, in adequate quantities and readily accessible to workers.

Every year, the Group assesses occupational health and safety risks in work procedures covering both organizational staff and contractors/business partners working in the Group's operational areas.

Stakeholders	Operational guidelines
Employees Workers Contractors at all tiers	1. Occupational health, safety and environmental training divided into 4 sections: 1.1 Warehouse staff 1.2 Office staff 1.3 Transport staff 1.4 Training course on road transport for transport contractors 2. Monitoring job performance through On the Job Training (OJT) 3. Compliance with related safety rules and regulations
Tools and equipment	1. Inspecting equipment safety before and after use according to legally required safety procedures 2. Maintaining tools and equipment according to plan
Environment	1. Inspecting equipment safety before and after use according to legally required safety procedures 2. Maintaining tools and equipment according to plan
Stop Working	1. When substandard actions or events are found 2. When changes in scope or work procedures are found 3. In an emergency 4. When working conditions are not appropriate to work

- **Incident Reporting and Investigation**

    In the event of an accident during work, employees or witnesses must notify the supervisor to assess the severity of the incident and report it to relevant parties in the order specified in the total quality control and management system. For a serious accident, the company group will appoint an investigation committee comprised of experienced and competent members to analyze the root cause of the incident and determine preventive, corrective and risk mitigation measures. The investigation report, preventive measures for recurrence, and rectification status are regularly reported at monthly management meetings.

    In addition, training on accident reporting and investigation is provided to senior level employees or other interested employees to enhance understanding of accident reporting, report writing, investigation, and developing effective preventive measures aligned with work practices and feasible implementation.

- **Communication**

    The Group has created participation at all levels by establishing an Occupational Safety, Health and Working Environment Committee comprising management representatives and employee representatives to jointly inspect unsafe working conditions, consider safety, occupational health and environmental plans and policies, monitor implementation in compliance with the law, and communicate to prevent work-related accidents or illnesses through various channels such as:
    - Sending occupational safety information via email
    - Pre-work meetings such as Morning Talk or Afternoon Talk
    - Safety knowledge sharing activities such as Safety Day, ISO Trip to enhance employee understanding of the ISO9001:2015 standard process.

- **Health Promotion**

    The Group provides pre-employment health checks for new employees, and annual health checks for all employees based on work-related risk factors and monitoring potential impacts from work such as lung function tests, hearing tests, occupational eye exams, and tests for heavy metals in the body, under an employee health and illness database system. In addition, activities to promote health are carried out based on the Happy Workplace principles.

Prevention and Mitigation in the Supply Chain

Since 2017, the safety audit department has participated in annual contractor assessments to encourage contractors to operate under safety, occupational health, and environmental policies. The Group is committed to supporting contractors in improving both safety and service quality.

In 2023, the Group established work control procedures for contractors and provided emergency response manuals for contractors, as well as SAFETY TALKS to communicate hazard information in each work area before contractors or business partners start work in the company group's warehouses. This is to mitigate occupational health and safety risks from contractor operations and serves as a standard for managing work safety in compliance with the 2021 Ministerial Regulation on Management and Operations Standards for Safety and Working Environments. This covers the contractor selection process and monitoring contractor performance to appropriately prevent risks and effectively reduce risks.

In addition, the Group conducts risk assessments in selecting contractors or business partners through a 3-step assessment process:
1. Contractors or business partners must receive an annual service assessment.
2. Contractors or business partners must pass the annual Supplier Audit with the following audit topics:
    - Organizational requirements such as transportation operation policies, clear management structure
    - Transportation operation requirements such as work procedures, recording operational mistakes and accidents.
    - Personnel requirements such as employee selection, training, alcohol, and drug testing
    - Vehicle requirements such as pre-operation vehicle checks, vehicle maintenance
    - Customer requirements such as customer satisfaction assessments
    - Supporting Behavior Based Safety (BBS) for safe driving.

3. For contractors entering warehouses, their work must be assessed, and they must receive safety recommendations from safety officers to obtain Work Permits, categorized as:
    *   General cold work permit
    *   High level work permit
    *   Hot work permit involving heat and sparks.

Promoting Safety Awareness and Culture

The Group is committed to fostering a strong safety culture within the organization where all employees and levels recognize that safety is everyone's duty and responsibility, and that everyone has a role in driving safety policies into real action. The Group communicates safety news regularly through internal communication channels such as email or LINE app.

The Group supports developing knowledge on work safety and provides work safety training to executives and employees at all levels as needed for each department and as required by law, to enhance skills in managing work safety. In 2023, the following training courses were provided:
*   Occupational health, safety, and environment training
*   Basic firefighting training and fire evacuation drills
*   Emergency response drills for chemical spills
*   Behavior based safety training.
*   First aid training
*   CPR and AED lifesaving training
*   Advanced firefighting training
*   Safety in forklift driving and maintenance check

In addition, the Group informs all levels of employees about emergency response plans which are also covered in new employee orientation and conducts regular annual emergency response drills at both the head office and warehouses, simulating high probability or high severity scenarios, so that employees and involved persons understand how to respond in an actual emergency, as well as to improve response team efficiency.

Performance

Certification Standards

The Group has mechanisms to develop internal service processes supported by a total quality control and management system covering safety, occupational health, and environment dimensions of operations. The group of companies has been certified for:

- Quality Management System ISO 9001:2015
- Warehouse services complying with Good Hygiene Practices (GHP)

The Group focuses on developing organizational excellence especially in managing safety, occupational health, environment, and security by adhering to Responsible Care® practices for responsible operations to drive sustainable development.

In case of injury or occupational fatalities.

KPIs	2023 Performance	2024 Target
Number of Occupational fatalities		
Employees	0 Person	0 Person
Partners/Suppliers	0 Person	0 Person
Number of lost–time injuries in the Group's areas of operations		
Employees	2 Cases	0 Case
Partners/Suppliers	0 Case	0 Case
Lost Time Injuries Frequency Rate, LTIFR		
Employees	3.25 Cases/1,000,000 working hours	0 Case/1,000,000 working hours
Partners/Suppliers	0 Case/1,000,000 working hours	0 Case/1,000,000 working hours

The lost time injury frequency rate (LTIFR) for employees in 2023 decreased from 2022 to 3.25 cases per one million working hours. For partners/suppliers working in the Group's operation areas, there were no reported lost time injuries. Additionally, the Group has set a long–term goal to reduce the LTIFR for employees and partners/suppliers in the group's operation areas to zero by 2027.

Lost Time Injuries Frequency Rate (LTIFR) of Employees and Partners/Suppliers

Year	2021	2022	2023
Employees	4.07	3.86	3.25
Partners/Suppliers			0.00
Target	0	0	0
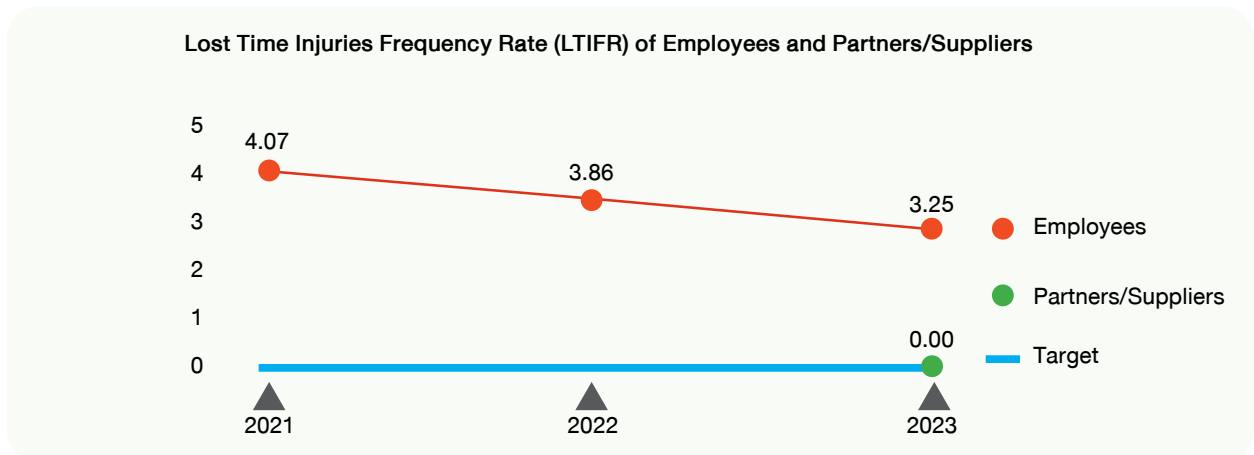
Remark: The abbreviation "N/A" indicates that the Group commenced the collection of Lost Time Injuries Frequency Rate (LTIFR) data for contractors in 2023, hence no contractor data is available for 2021–2022.

Every time an accident occurs in the work area, the Group reviews the events leading to the accident in the Safety, Occupational Health, and Environment Committee meeting. This includes monitoring statistics on work–related accidents as well as accidents caused by the work environment and conditions. Accident statistics, causes and preventive measures are reviewed to prevent recurrence and reduce future accidents. Additionally, after every accident, the company shares information with relevant employees to increase vigilance and caution among workers.

In 2023, the Group conducted an annual risk assessment review and defined additional preventive measures, including:

- Preparing work procedure documents for contractors and truck drivers.
- Training contractors as part of the work permit process.
- Defining standards for selecting appropriate personal protective equipment for the work.
- Preparing emergency response teams.
- Providing continuous occupational health, safety and environmental training for internal employees and land transportation contractors.
- Continuously developing training courses on forklift and truck driving skills.
- Developing training courses on safety and hygiene for security officers and cleaners to understand safe working, occupational health, and environmental practices.
- Conducting regular annual emergency drill exercises on responding to warehouse chemical spills, transporting chemical spills, joint drills with customers, and fire evacuation drills.
- Conducting annual environmental assessments at warehouse facilities.

Occupational health, safety, and environment training

Safety in forklift driving and maintenance check

First aid training

Basic firefighting training and fire evacuation drills

Advanced firefighting training

Employee health and safety measures during disease outbreaks in 2023:

1)   COVID-19 response measures

Clean and Safe Measures		
1. Screening 1.1) If employees have symptoms or feel unwell, the company will have them take an ATK test to get the result. If an employee tests positive for Covid-19, they will be advised to see a doctor and get treated according to their symptoms. 1.2) Infected employees must quarantine for a minimum of 5 days and test negative on an ATK before returning to work.	**2. Communication** 2.1) Explain various measures and share important information and news through the organization's online system	**3. Risk management** 3.1) Appoint supervisors to monitor, inspect, and ensure activities comply with established measures 3.2) Implement social distancing in office buildings and operational areas 3.3) Allow employees to WFH at the discretion of their supervisor 3.4) Require employees to wear face masks when attending meetings to mitigate risks

Emergency response measures in the event of a COVID-19 outbreak by the company. At the warehouse area, starting January 3rd, 2023,	
Steps	**Procedures**
1	Employees notify Assistant Department Managers or Department Managers of contracting COVID-19 through phone, Line application, or other social media to investigate disease information, work areas, and contacted individuals to identify risk zones and close contacts (high risk). All information is also reported to the Warehouse Manager.
2	Announce the COVID-19 case to all employees.
3	Cleaning staff disinfect areas for COVID-19.
4	Employees on the roster enter work areas as normal, coordinating with the Warehouse Supervisor to allocate staffing each day according to workload.
5	COVID-19 treatment duration: For employees infected with COVID-19, whether diagnosed or not, take at least 5 days leave and self-administer an ATK test before returning to work. • Positive (2 lines) – Continue leave until testing negative on ATK. • Negative – Can return to work immediately and must follow company measures. For high-risk close contacts, no quarantine required but monitor symptoms and follow company measures.
6	Conduct more periodic online micro-learning courses on basic occupational health, safety, and environment (3 courses: warehouse, office, product delivery) for social distancing.

2)   Influenza response measures

The Group provided influenza vaccinations covering 4 strains to employees. Health insurance benefits cover treatment costs if employees fall ill from infections.

3)   PM 2.5 response measures

The Group installed air purifiers in meeting rooms and office areas to reduce PM 2.5particulate matter, which helps lower respiratory disease transmission risks. The Group promoted practices for dealing with particulate matter and encouraged pregnant employees, elderly employees, and those with underlying conditions to wear PM 2.5 masks when working outdoors, doing outdoor activities, or exercising outside.

4)   Epidemic and emerging disease response plan

To ensure business continuity, the Group has developed an epidemic and emerging disease response plan to prevent, prepare, mitigate impacts, continue operations before, during and after an event, as well as recover business back to normal within an appropriate timeframe. However, the Group prioritizes the health of personnel, so procedures for health preparedness in the workplace have been established to respond to potential future situations, as follows:

Pre-event preparedness measures

Organizational response
- The top executive assigns main coordinators and a responsible team.
- Develop an emergency communication plan.
- Forecast impacts and damages from the epidemic.
- Develop an IT system response plan in case personnel cannot work onsite.
- Practice and review the epidemic response plan.

Managing during an epidemic outbreak

Personnel response
- Monitor outbreak information.
- Assess epidemic risks and impacts.
- Coordinate with public health agencies to obtain information to adjust the epidemic response plan.
- Define health protocols to prevent disease transmission in the workplace.
- Announce warnings about the epidemic situation to personnel and continuously monitor the situation.
- Provide basic education to alleviate staff panic.
- Contain damage if an outbreak occurs onsite.
- Establish criteria prohibiting travel to outbreak zones.
- Allow personnel to Work From Home and take leave during major outbreaks.
- Assess personnel's access to healthcare services.
- Procure adequate protective equipment.
- Set up a health consultation unit.
- Communicate the Group's response plan to all stakeholders.

Epidemic response task force structure
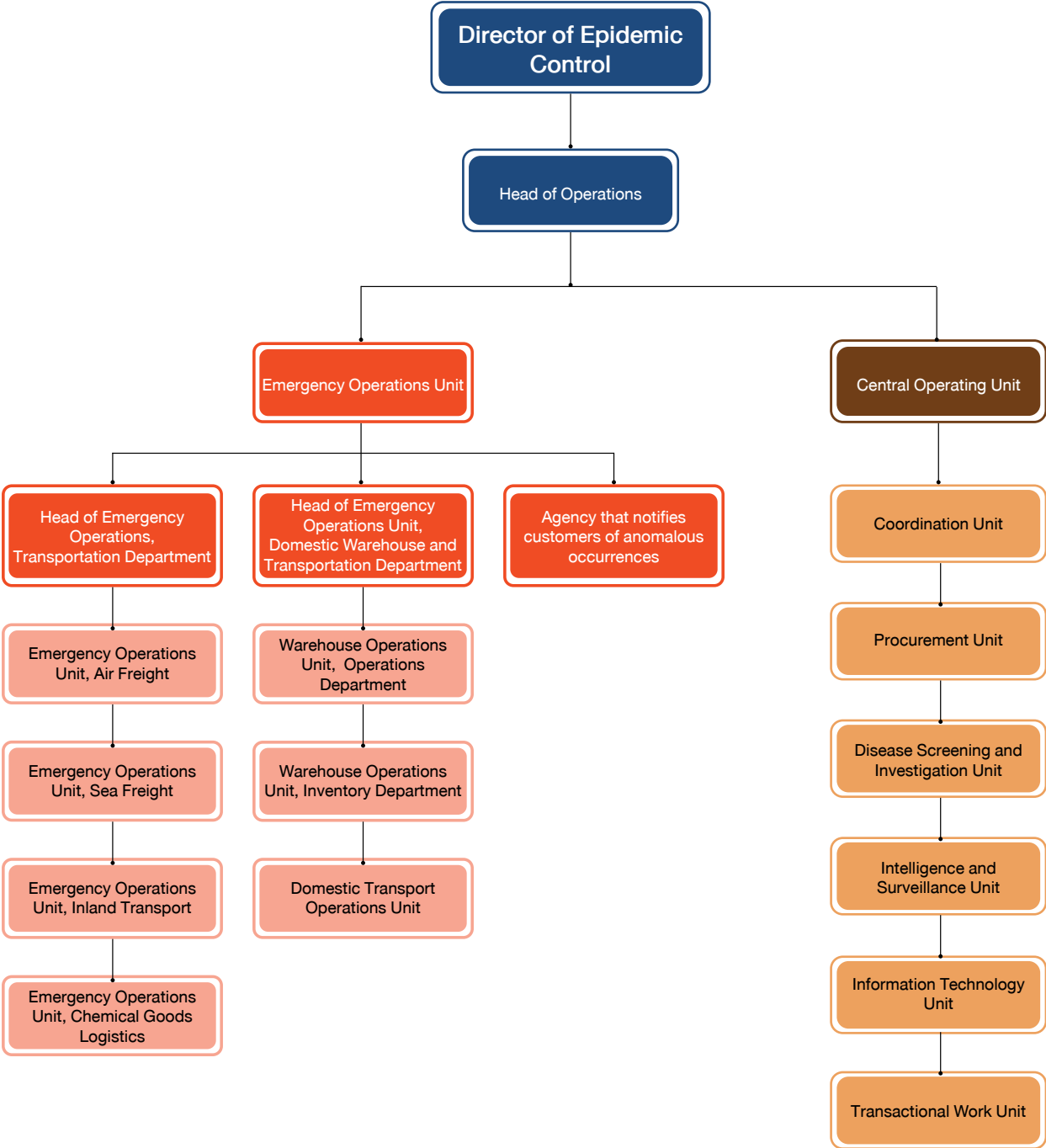
Community and Social Engagement

The Group is committed to growing the business in tandem with sustainable development, taking into account society, the environment and all stakeholder groups. Over the past period, the Group has created benefits for society through various continuous activities and projects, allocating appropriate annual budgets and fostering engagement at all levels of the organization to demonstrate the commitment to elevating society alongside the business goals set by the Group.

The community and social activities of the Group have been carried out under the goal of sustainable organizational development, which is one of the business strategies and sustainability development practices specified in the Good Corporate Governance Policy, in order to care for, support and promote nearby and distant communities to have an improved livelihood coupled with the sustainable growth of the Group.

Management Guidelines

The Group focuses on operations that go hand-in-hand with sustainable social and environmental responsibility. Therefore, the Group's business operations place importance on gaining acceptance and trust from communities along with mutual growth. The Group believes that building a strong foundation for communities will promote self-reliance and stable growth. Hence, the Group has determined there shall be planning for community engagement and social activities that focus on elevating the quality of life for communities, aligned with the sustainable organizational development strategy in the social dimension.

Performance

Over the past year 2023, the Group has organized suitable social and community relations activities based on the context of the economy and events during that period, to be a part in elevating society. The details of the activities are as follows:

1. Community and social activities related to the Company's operations and expertise (CSR-in-Process)

The Group focuses on directing social activities toward stakeholder groups impacted by the core business operations of the Group, with the goal of elevating the overall management of the logistics and chemical industries to be on par with international standards. Over the past year, the Group's executives have held high-ranking social positions and been key mechanisms in driving the elevation of social activities directly related to the Group's operations (CSR-in-Process) in both the logistics and chemical industries significantly.

The operations are carried out under the activities of various associations, federations, and councils that have integrated cooperation with government agencies, educational institutions, training institutes, as well as knowledge development across all related sectors. The stakeholders also include the Group's customers, business partners, and employees.

In addition, the Group places importance on participating in community and social care, including community surveys, and continuously carries out activities for the community and society. In 2023 the Group has set up 5 main projects of CSR-in-Process. Each has its own sub-projects with more than 2,500 beneficiaries estimated. The projects can be summarized as follows:

1.1 Customers and partners training and providing knowledge.

The Group provides training and transfers knowledge in various areas to key customer groups as well as the Group's business partners, in order to elevate logistics management. The projects can be summarized as follows:

1) Knowledge enhancement project on logistics for customers: the Group prepares training courses for customer groups to implement in-house training, covering the following topics:
   - Logistics and Supply Chain Management
   - INCO Terms and Terms of Payment
   - International Transport Process
   - Classification of Dangerous Goods
   - Regulations on the Transport of Dangerous Goods
   - Globally Harmonized System of Classification and Labeling of Chemicals (GHS)
   - Chemical Risk Assessment
   - Chemical Regulatory Compliance in Thailand

2) Knowledge enhancement project for business partners and allies: Training for truck drivers and onboard personnel transporting dangerous goods to have proper knowledge and understanding, with 11 training sessions conducted and a total of 171 people comprising staff of affiliates and partner companies participating, covering the following topics:
   - General knowledge about hazardous chemicals, dangerous objects, and goods.
   - General knowledge about management systems, controls, regulations, requirements related to hazardous chemicals, dangerous objects, and goods.
   - Knowledge about work safety, occupational health, safety, and environmental management.
   - Safety Data Sheets (SDS) for chemicals and their use.
   - Emergency response procedures for spills, leaks, fires, etc.
   - Safety practices when working inside warehouses.
   - Driving safety for transporting dangerous goods, related laws, and regulations.
   - Economical and safe driving.
   - Basic vehicle inspection and maintenance.

1.2   Collaboration between government agencies, associations, private organizations, and NGOs related to logistics and international transportation.

The key operations are driven under holding positions in the Thai International Freight Forwarders Association (TIFFA), Federation of Thai Logistics Service Provider (TLSP), ASEAN Federation of Forwarders Association (AFFA), FIATA International Federation of Freight Forwarders Associations (FIATA), Thai Airfreight Forwarders Association (TAFA), Hazardous Substances Logistics Association (HASLA), and the Advisory Board for Logistics Human Resource Development in the Industry Competency Board, with the following main activities:

1)   Activities to promote and elevate the logistics industry, such as:

- Formulating the strategic plan for the Thai International Freight Forwarders Association (TIFFA) and driving the implementation of the strategic plan including flagship projects that are crucial for enhancing the competitiveness of Thai logistics and the association.
- Participating in international meetings related to driving international logistics, both at the ASEAN level and globally, through attending the AFFA Annual Conference & General Meeting and the FIATA World Congress 2023 and FIATA Annual General Meeting, proposing guidelines for implementing the strategic plan of associations in Thailand to the ASEAN and global.
- Being a key actor for the Thailand International Logistics Fair: TILOG-LogistiX 2023, with significant successes including:
  - Signing a multilateral cooperation memorandum of understanding to enhance Thailand's logistics competitiveness under 1Logistics, by 9 logistics federations and associations as follows:
  - Thai Logistics Service Provider Federation (TLSP)
  - Thai Federation on Logistics (THAILOG)
  - The Land Transport Federation of Thailand (LTFT)
  - Thai International Freight Forwarders Association (TIFFA)
  - The Customs Broker and Transport Association of Thailand (CTAT)
  - Thai Authorized Customs Broker Association (TACBA)
  - Hazardous Substances Logistics Association (HASLA)
  - Thai Transportation and Logistics Association (TTLA)
  - Warehouse Silo and Cold Storage Business Association (WSCBA)
- Organizing a seminar on elevating Thailand's logistics management under the topic "Integrating Thai Logistics to Global Logistics," with panel discussions from government agency representatives covering all transportation modes (Thailand Logistics Development Strategy and Action Plan (2023–2027), maritime transport, air transport, rail transport, road transport, multimodal transport, National Single Window Plus (NSW+) for customs clearance procedures, trade, and logistics data systems)
- Organizing a panel discussion on freight forwarders' liability insurance and providing key case studies to TIFFA members.
- Providing opinions on various dimensions of Thailand's logistics development and management enhancement to responsible government agencies, such as analyzing the current status of e-Trade facilitation system development, an integrated study on developing cargo transfer and distribution centers linking multimodal transport, and developing truck rest stops on highway networks.
- Participating in a working group together with the Thai Bankers' Association and the Thai National Shippers' Council (TNSC) and various logistics associations to drive the National Digital Trade Platform (NDTP).
- Representing AFFA to give a presentation on trade information between ASEAN and Guangxi Province, China on developing cooperation between China and the ASEAN Economic Community.
- Representing the private sector to give a lecture sharing experiences in transporting dangerous goods by air (IATA Dangerous Goods Regulations) as an international freight forwarder at the annual IATA Air Cargo Day event organized by the International Air Transport Association (IATA).

2)   Activities to enhance environmental and social responsibility in the logistics industry.
- Presenting the situation on carbon neutrality and guidelines for Thailand's transport and logistics sector.
- Moderating a panel discussion and providing opinions on a study on developing the legal framework and relevant contexts for dangerous goods road transport in Thailand (Agreement concerning the International Carriage of Dangerous Goods by Road: ADR) and enacting laws related to Transport Safety Managers (TSM).
- Representing Thailand's logistics sector in driving work related to safety and security through meetings of the FIATA Advisory Body in Safety and Security.)

1.3   Cooperation between government agencies, associations, private sector and NGOs on chemical management, safety, occupational health, environment, security, carbon neutrality and sustainability

The Group has cooperated with various organizations under the Responsible Care® Management Committee of Thailand (RCMCT) of the Chemical Industry Club, The Federation of Thai Industries and the Subcommittee on Manufacturing, Control and Management of Hazardous Chemicals, Council of Science and Technology Professionals by driving the following key initiatives:

- Providing ethics lectures to the Council of Science and Technology Professionals (CSTP) on the topic of Professional Ethics for the Manufacturing, Control and Management of Hazardous Chemicals field, based on the Responsible Care® concept.
- Providing training lectures on the importance of controlled professional science and technology licenses in the field of manufacturing, control, and management of hazardous chemicals to CSTP members and interested parties.
- Providing lectures at the Department of Industrial Works, Ministry of Industry seminars on electronic notification of facts relating to hazardous substances under Schedule 5.6, according to the new Ministry of Industry announcement.
- Implementing the Responsible Care® On-Tour project, which builds on the 6 days 6 codes Plus project conducted during 2020-2022. This involves taking delegations from government agencies, academia, and the private sector to visit operations demonstrating excellence in safety processes, environmental management, community engagement, and sustainability management at Pimai Salt Co., Ltd. and clean energy and renewable energy management at Lam Takhong Chonburi Power Plant, as well as listening to lectures on clean energy production and sustainable community engagement. Participating organizations include:
    - Department of Industrial Works, Ministry of Industry (Hazardous Substances Management Bureau, Factory Safety Technology Promotion Bureau, Factory Environment Technology Promotion Bureau, and Industrial Waste Management Bureau)
    - Food and Drug Administration, Ministry of Public Health
    - Pollution Control Department, Ministry of Natural Resources and Environment
    - Department of Land Transport, Ministry of Transport
    - Department of Alternative Energy Development and Efficiency, Ministry of Energy
    - Thailand Greenhouse Gas Management Organization (Public Organization)
    - Joint Graduate School of Energy and Environment (JGSEE), King Mongkut's University of Technology Thonburi
    - German Corporation for International Cooperation (GIZ)
    - Responsible Care® Management Committee members
- Participating in the Workshop on Regulatory Cooperation Framework for ASEAN Chemicals Management: ASEAN Regulatory Cooperation Workshop Platform (ARCP). This involved participation from government agencies and private sector from 10 ASEAN countries. It was jointly organized by the International Council of Chemical Associations (ICCA), American Chemistry Council (ACC), European Chemical Industry Council (CEFIC), Japan Chemical Industry Association (JCIA), and the Responsible Care® Management Committee, Chemical Industry Club, The Federation of Thai Industries.
    - Developing an integrated cooperation project with the German Corporation for International Cooperation (GIZ) for the Climate Action Programme for the Chemical Industry (CAPCI), with details as follows:
    - Conference on Developing a Framework for a Sustainable and Climate-Friendly Chemical Industry Roadmap for Thailand
    - Training course on Preparing for a Sustainable World in the Chemical Industry
    - Training course on Actual Actions Toward Carbon Neutrality
    - Seminar on the draft Sustainable and Climate-Friendly Chemical Industry Roadmap for Thailand

1.4   Cooperation with educational institutions and various universities

As a representative of industry associations and federations related to both logistics and international freight, as well as chemical management, safety, occupational health, environment, security, carbon neutrality and sustainability, we have driven various initiatives with educational institutions and universities as follows:

- Being a guest lecturer for students from the United States under a joint program between the Asian Institute of Technology and the International Maritime Business Department at Massachusetts Maritime Academy, speaking on "Trends and Directions of Logistics Business and Supply Chain in Thailand."
- Being a lecturer under a collaborative program between Mahidol University, Chiang Mai University, Kasetsart University, Thammasat University, Mahasarakham University, Prince of Songkla University, Joint Graduate School of Energy and Environment (JGSEE) at King Mongkut's University of Technology Thonburi, and the National Research Council of Thailand (NRCT), in a panel discussion on guidelines and vision for industry to achieve carbon neutrality. This was under the project "Toward Carbon Neutrality and Sustainability of Feed and Energy through BCG" using the Bio-Circular-Green Economy model. The lecture topic was "The Feasibility of Industry in Transitioning to Carbon Neutrality through Application of the Bio-Circular-Green Economy."
- Giving a lecture on the outlook for Thai shipping in 2023-2024 to the Commercial Law and Business Center and the Institute of Shipping Law, Faculty of Law, Thammasat University.
- Providing opinions at a seminar to gather feedback from private logistics service providers on "Adjusting Thailand's Regulations to Upgrade Thai Logistics Service Providers to Leading Logistics Providers in ASEAN." This was organized by the Faculty of Commerce and Accountancy, Chulalongkorn University and the Competitiveness Enhancement Fund Office (CEFO).
- The Group also places importance on providing knowledge and promoting self-development for logistics students. Top executives served as lecturers to provide knowledge to students at the College of Logistics and Supply Chain, Suan Sunandha Rajabhat University. This involved sharing knowledge and experiences from the real working world, as well as opportunities for career advancement in logistics, in order to increase knowledge and inspire students to develop their potential. A total of 415 students participated.

1.5 Community and Social Engagement

The Group places importance on communities and society and is committed to promoting social and community responsibility awareness among employees, as well as supporting the development of quality of life and prosperity in communities. Activities and projects have been implemented to support, promote, and take responsibility for communities and society as follows:

1) **Community Survey:** A working group of executive and employee representatives was established to conduct a community survey in cooperation with the Community Development Department of Yannawa District Office. This surveyed and assessed potential impacts on the community from the Group's operations in social (SIA), environmental (EIA), and health (EHIA) aspects. Other dimensions such as social conditions, economy, community needs and issues were also studied. The survey of the Yannawa community covered 400 households representing around 1,600 residents. It was found that the Group's operations did not have any negative impacts on the community. However, it was found that the majority of the community population had low income, lived in crowded conditions, and there were bedridden patients lacking care and assistance.

Head Office's Surrounding Comminities Survey
- Caltex Community
- Ruam Pattana Community
- Bualuang Community
- Pak Klong Chongnonsee Community
- Wat Klong Phoom Community
- Klabchom Alley and Klong Ta Ruek Community

2) **Applying logistics expertise and business processes to help alleviate social and environmental issues: :** From the community survey and seeing opportunities to apply our logistics expertise and business processes to assist society, in 2022 we carried out the following activities:

- **Enhancing logistics quality for community products and social enterprises:** Products from rural communities in various provinces can generate supplementary income and improve well-being for villagers. However, quality, and standardized logistics processes have often been a limitation for expanding sales opportunities for community products.

Therefore, the Group has applied its logistics expertise to complement community products by supporting and upgrading logistics aspects such as storage, packaging and transportation for community products promoted to market by the social enterprise "Company Dee Mee Suk (Not) Limited." This supports increased market expansion opportunities for community products. In2023, Company Dee Mee Suk (Not) Limited is a Stock Exchange of Thailand certified social enterprise that aims to strengthen communities, promote occupations and income through developing community products with identity by providing continuous learning, development, and empowerment.

the Group provided logistics support for over 1,500 of community products that generates 500,000 baht revenue for 30 families or around 120 residents.

- **Bed Delivery Support Project:** As a logistics company, we utilized our resources to support the "Sick Borrow" project by the Mirror Foundation by assisting with delivery management of beds and medical equipment for economically disadvantaged patients registered to borrow equipment from the project. This helped alleviate the issue of the Foundation having insufficient vehicles to meet patient demand. In2023, the Group coordinated delivery of beds to five patients. The "Sick Borrow" project lends medical equipment for homecare patients such as oxygen generators, beds, suction machines, and other equipment donated to the Foundation. All equipment is lent until no longer required, upon which borrowers must coordinate returning it for lending to other patients.

- **Community Employment:** The Group is engaged in community-based employment, particularly in the field of maintenance and repair work. The primary consideration for hiring is given to individuals within the surrounding community, aiming to enhance income opportunities for community members. Additionally, this initiative contributes to reducing transportation costs as employees work in close proximity to their residences. In the past year, 2023, the Group disbursed compensation exceeding 250,000 baht for the aforementioned employment engagements.

2. **Social activities unrelated to company operations (CSR-after-Process)**
A total of 14 activities were carried out as follows:

1.) Children's Day event: A Children's Day event was held at the head office with fun activities, gifts, snacks, and meals provided to over 100 children participating. The children were from the communities surrounding the head office area.

2.) Donation of used calendars: the Group encouraged employees to donate used calendars, which were collected and donated to the "Technology Education Center for the Blind," a production center of printed media for the visually impaired under the Foundation for the Blind in Thailand. The 318 donated calendars can be recycled to produce Braille books as learning materials for the visually impaired.

3.) Funding boat repairs for school in border area: the Group provided funding to repair a boat used for transporting teachers and students at Ban Sop May School in Mae Hong Son province border area, enabling it to be fully operational after being damaged and unusable. This allows transportation of approximately 50 teachers and students by boat during the rainy season when roads are cut off.

4.) **Supporting construction of a blood service center:** the Group donated 500,000 baht to the Thai Red Cross Society to help construct the 10th National Blood Service Center in Chiang Mai province, in order to advance the national blood service operations in a comprehensive manner with the key goal of supplying adequate blood for patient treatment nationwide.

5.) Upgrading the school sports field and supporting sports day events: Nonsri Primary School is one of the primary schools in the community near the headquarters office. Most of the 320 students come from low-income families. From the Group's community survey, it was found that the school's sports field was in poor condition. The Group thus allocated budget to improve the field surface to be in good condition again, in order to inspire the children to play sports more and also provided budget to support the school's sports day events.

6.) Supporting "Operation Smile Thailand Foundation": the Group donated 50,000 baht to "Operation Smile Thailand Foundation" to help treat children with cleft lips and cleft palates, in order to bring back their smiles. In addition, employees were invited to participate by making teddy bears together to give as encouragement to the children undergoing treatment in the project. Operation Smile Thailand Foundation is a non-profit medical charity organization with the mission to provide free assistance to underprivileged patients with cleft lips, cleft palates, burn scars and other facial deformities.

7.) Campaigning for employees to separate plastic bottles: the Group carried out a campaign for employees to separate plastic bottles in order to reduce waste and donated them to Thammasat University's Less Plastic group for the "Separate Bottles to Help Doctors" project, to recycle them into PPE suits and diabetic shoes. In 2023, 3,300 plastic bottles were donated, which could be made into 183 PPE suits. The recycling into diabetic shoes is still under testing.

8.) Organizing a New Year's party at a child development center: In "Bua Luang Community," a small community near the Group's headquarters, which is a densely populated community, there is a child development center that takes care of 30 preschool children whose parents are not ready. The Group invited employees to organize a New Year's party for the children at the center, to bring them happiness and encouragement, as well as the teachers who take care of the center.

9.) Donating solar cell lights to illuminate community walkways: From surveying the communities surrounding the headquarters, it was found that many areas were densely populated communities, with small alleys that still lacked lighting for community members walking at night. the Group thus donated 30 units of 100-watt solar-powered lights, which not only provide illumination but also help conserve energy use. This helped make night-time commuting more convenient and safer for around 1,200 community members.

10.) Blood donation activities: In 2023, the Red Cross and many hospitals faced blood reserves shortage. The Group therefore invited executives and employees to donate blood to save lives, which also brought pride from being a giver and realizing one's self-worth. Executives and employees donated blood at the National Blood Centre, Thai Red Cross, and the blood donation unit from Rajavithi Hospital, 3 times in total. The total blood donated was 28,500 cc, which can statistically help 190 patients (according to Thai Red Cross data, on average each patient receives 150 cc of blood in treatment, and from 2024 onwards, the Group has set a goal to participate in blood drives 4 times a year, aligning with employees' shared intention).

11.) Assisting with traffic management for the community market near the headquarters entrance: As the road near the entrance of the Group's headquarters has local vendors setting up stalls in the community market, this resulted in reduced road surface area, causing traffic congestion. Seeing this problem, The Group arranged a team of officers to facilitate and manage traffic in the area to improve flexibility. This supported community income generation while reducing traffic problems in the community.

12.) Supporting Snack Boxes from Smile and "Yim Soo cafe'": the Group used Snack Boxes in various activities organized by the Group, such as training sessions and seminars. This provided opportunities to create jobs and occupations and showcase the work of disabled people under the Universal Foundation for Persons with Disabilities. Last year, we supported 15,600-baht worth of these Snack Boxes, which helped 20 disabled people.

13.) Supporting community products: Each year, the Group gives gifts to business partners on various occasions. In 2023, the Group supported community products to make gift baskets for corporate gifting occasions, totaling 120,000 baht. These were products made from local agricultural produce by villagers in rural communities across Thailand with low incomes, to increase household income.

14.) Providing New Year gifts promoting climate change mitigation: the Group prepared New Year gifts for customers using the concept of advocating climate change mitigation. For example, calendars with content promoting food waste reduction, cloth bags with messages about efficient resource use, notebooks with messages to use both sides of paper, and reusable lunch boxes to reduce disposable foam and plastic packaging.

Monitoring

- The Group has a working team responsible for coordinating and continuously monitoring the results of social projects, to ensure that various activities carried out align with objectives and benefit society as targeted. For example, the Group continuously monitors results when conducting activities with communities, by coordinating with community leaders and government agencies overseeing those communities. It was found that the results were satisfactory, including finding new opportunities to elevate the quality of communities.

Future Plans and Projects

The Group has laid out key projects in 2024, including directions in subsequent years, in order to build continuity and alignment with the community and social activities carried out throughout 2023, as follows:

Continuous community survey project:

the Group plans to continuously survey the impacts of its business operations on communities, conducting surveys at least once a year. The impacts found from the surveys will be addressed and improved to mitigate damage to communities and society (both directly and indirectly), as well as finding approaches to carry out activities to care for communities and society.

Expanding the scope of collaboration to develop logistics for community products, social enterprises, and SMEs:

the Group intends to utilize its expertise and resources to jointly develop and elevate logistics for community products, social enterprises and SMEs. This project was initiated in 2023 and the Group wants to expand the scope of collaboration further in 2024, in order to create opportunities to promote the businesses of these entrepreneur groups.

Logistics knowledge support project:

the Group places importance on providing knowledge, sharing experiences, and promoting the development of the logistics industry for the public sector, private sector and educational institutions, hoping to be a part of elevating and increasing value in the logistics industry sustainably. There will be various activities to continuously support this project, such as being a speaker at various events and opening warehouses for visits along with providing knowledge.

Project to apply corporate expertise and business processes to aid society:

It is well recognized that logistics processes play a major part in everyone's daily lives, and there are still people in communities lacking opportunities or requiring logistics development to improve their quality of life. the Group is ready to participate in elevating and increasing access to these opportunities through our expertise and business processes.

Community quality of life enhancement project:

We found that inequality problems are becoming more severe by the day. The Group thus aims to be a part of helping elevate the quality of life of people in society, especially those lacking access to opportunities and the low-income group, including rural villagers with hardship.

Summaries of Sustainability Performance in 2023

Economic Performance

Establishing Organizational Values and Culture for Employees to Pursue According to the Principles of Good Corporate Governance

Corporate governance and sustainable development

Subject	2021	2022	2023
Results of the assessment of corporate governance (CGR)	Standard 5 stars	Standard 5 stars	Standard 5 stars
Results of the assessment of the shareholder meetings (AGM Checklist)	100 points	100 points	100 points
Results of the assessment of sustainability (SET ESG Ratings)	–	–	BBB
Number of warnings or significant audit results from the internal audit department	None	None	None

Code of conduct

Actions or events resulting from code of conduct violations	Unit	2021	2022	2023
Number of complaints arising from significant violations of code of conduct				
• Actions that cause health and safety hazards to the community or the environment.	Times	0	0	0
• Intentional actions that result in causing damage or loss of benefits to the Company.	Times	0	0	0
• Actions that lead toward monopoly and unfair trade competition at a significant level.	Times	0	0	0
• Actions that encourage wrongdoings.	Times	0	0	0
Number of complaints resolved through the dispute resolution process	**Times**	**0**	**0**	**0**

Anti-corruption

Subject	Unit	2021	2022	2023
Proportion of trainees with a passing test score of at least 80%.	%	98	100	100
Proportion of inviting important customers and partners to join CAC.	%	100	100	100
Proportion of informing key trading partners of the No Gift Policy.	%	100	100	100
Number of complaints of wrongdoing that is considered to be corruptive actions at a significant level.	Case	0	0	0
Status of the request for the certification of membership to the Thailand Private Sector Collective Action Coalition against Corruption (CAC).	–	Declaration of intent to participate and carry out the requirements of the CAC	Submit request for CAC certification	Attain membership to the CAC

Compliance with Laws Regarding Corporate Governance, Society and the Environment

Operating Results	Unit	2021	2022	2023
Number of cases that may have a negative impact on the Company's or its subsidiaries' assets	Case	0	0	0
Number of cases that significantly affect the Company's or its subsidiaries' business operations at a significant level	Case	0	0	0
Number of cases arising from the Company's or its subsidiaries' normal business operations	Case	0	0	0
Number of imposed fines that is of significance	Times	0	0	0

Creating business opportunities for sustainable growth

Direct economic value generated

Subject	Unit	2021	2022	2023
Revenues	Million Baht	2,939.22	2,788.79	1,764.47
Earnings before interest, tax, depreciation and amortization (EBITA)	Million Baht	557.06	981.65	986.12
Net profit	Million Baht	366.95	795.66	866.22
Gross profit margin	%	17.94	21.93	21.61
Net debt to equity ratio	%	0.69	0.38	0.23
Proportion of dividend payment from net profit according to the separate Financial Statements	%	50.79	83.69	76.78

Creating economic value to stakeholders

Economic value distributed to relevant stakeholders	Unit	2021	2022	2023
Dividends	Million Baht	247.15	391.61	301.62
Operating costs [1]	Million Baht	96.29	138.35	65.36
Employee expenses [2]	Million Baht	263.66	255.43	242.23
Financial costs [3]	Million Baht	28.03	33.66	33.41
Government expenditures [4]	Million Baht	62.05	76.05	15.86
Community and social development investments [5]	Million Baht	1.05	1.06	1.02
Environmental investments [6]	Million Baht	–	–	–
Economic Value Residual	**Million Baht**	**41.94**	**339.32**	**239.91**

Remarks:

[1] Consists of expenses for business partners and contractors (excluding main business partners).

[2] Consists of salary, wages, benefits, provident fund contributions and employee development expenses.

[3] Consists of interests and financial expenses.

[4] Consists of government expenditures, corporate income tax, local maintenance tax, property tax, specific business tax and other taxes.

[5] Consists of community development and social responsibility activities expenses

[6] Consists of environmental management expenses.

Tax payment

Subject	Unit	2021	2022	2023
Corporate income tax	Million Baht	61.81	62.79	6.58
Net profit before tax	Million Baht	428.77	858.45	872.80
Corporate income tax paid	Million Baht	36.69	80.03	45.98
Corporate income tax rate	%	14.42	7.31	0.75

Development of innovations and technology to ensure efficient services

Subject	Unit	2021	2022	2023
Number of projects for improving work processes	Project	2	2	7

Building confidence and satisfaction for customers

	Unit	2021	2022	2023
Number of complaints regarding customer privacy issues	Times	0	0	0
Number of complaints regarding safety or environmental impacts resulting from deliveries	Times	0	0	0
Customer satisfaction level with the Group's products and services	**%**	**88.67**	**88.95**	**89.81**

Supply chain management

Subject	Unit	2021	2022	2023
Key Suppliers (Critical Tier 1 Supplier)				
– Foreign	No. of parties	18	22	28
– Domestic	No. of parties	62	56	84
Secondary Suppliers (Non–Critical Tier 1 Supplier)				
– Foreign	No. of parties	111	98	109
– Domestic	No. of parties	1,053	1,120	1,188
Key Indirect Suppliers (Critical Non–Tier 1 Supplier)				
– Foreign	No. of parties	0	0	0
– Domestic	No. of parties	15	11	11

Risk management and business continuity management

Subject	Unit	2021	2022	2023
Organizational risk management covering all business units of the Group	%	100	100	100
Establishment of business continuity plan within the organization	%	100	100	100

Environment Performance

Reducing greenhouse gas emissions

Gas Emissions	Unit	2021	2022	2023[1]
Scope 1 Emissions (Direct GHG Emission)	Ton CO2e	252	200	539
Scope 2 Emissions (Indirect GHG Emission)	Ton CO2e	1,103	626	1,498
Scope 3 Emissions (Other Indirect GHG Emission)	Ton CO2e	4	5	519

Remark :

[1] There was an increase in greenhouse gas emissions due to the inclusion of additional sources for calculation to align with the ISO 14064-1 version 2018 standards. This includes stationary and mobile combustion, fuel and energy procurement, among others.

Energy management

Performance	Unit	2021	2022	2023[1]
Total Electricity Consumption	Kilowatt-hours	1,895,088	1,075,667	2,995,813
Diesel Fuel Consumption	Liters per year	77,820	59,460	75,304
Gasoline Fuel Consumption	Liters per year	7,642	6,386	16,609
Gasohol Fuel Consumption	Liters per year	9,545	10,050	130,259
Electricity Savings Rate	%	6.63	43.24	–

Remark :

[1] The increase in total electricity consumption in 2023 can be attributed to:
- The addition of two warehouses: a Phuket Airport Warehouse with an area of 32.60 square meters and a Bang Na Km. 39 Warehouse (W13) with an area of 2,150 square meters, to accommodate business expansion.
- Employees resuming standard work arrangements following the COVID-19 pandemic.
- An increase in the number of employees, from 476 in 2022 to 518 in 2023.

Water management

Performance	Unit	2021	2022	2023[1]
Total Water Consumption	Cubic meters per year	4,661	5,683	11,257
Reduced Water Loss from Leakage Point Repairs	Cubic meters per year	ND	15	280
Water Savings Rate	%	ND	0.26	–

Remarks :

ND = Reporting not available since the company began its environmental management and data collection plan in 2022, marking the first year.

[1] Reasons for Increased Total Water Consumption in 2023:
- Expansion to 2 new warehouse locations: Phuket Airport Warehouse (32.60 sq m) and Bang Na Warehouse Km. 39 (W13) (2,150 sqm) to accommodate business growth.
- Employees returned to work in normal office settings post-COVID-19 pandemic.
- An increase in staff numbers from 476 in 2022 to 518 in 2023.

Non-hazardous waste management

Performance	Unit	2021	2022	2023
Non-Hazardous Waste Quantity	Ton per year	42.21	154.25	139.34
3Rs Waste Management Project	Project per year	ND	7	8

Remark : ND = No report available as the Group commenced its environmental management planning and data collection initiatives starting in 2022

Social Performance

Human resource management

Employee care

Performance data	Unit	2021	2022	2023
Total number of full-time employees	**Person**	**593**	**476**	**518**
Classified by				
Type of employment				
Permanent	Person	593	476	518
	%			100.00
Contract	Person	0	0	0
	%	0.00	0.00	0.00
Country of operation				
Thailand	Person	-	-	518
	%	-	-	100.00
Others	Person	-	-	0
	%	-	-	0.00
Gender				
Male	Person	325	260	304
	%	54.81	54.62	58.69
Female	Person	268	216	214
	%	45.19	45.38	41.31
Age				
Under 30 years old	Person	-	-	202
	%	-	-	39.00
31-50 years old	Person	-	-	276
	%	-	-	53.28
Over 50 years old	Person	-	-	40
	%	-	-	7.72

Performance data	Unit	2021	2022	2023
Level				
Senior management				
Total	Person	-	-	6
Classified by gender				
Male	Person	-	-	5
	%	-	-	83.33
Female	Person	-	-	1
	%	-	-	16.67
Middle management				
Total	Person	-	-	55
Classified by gender				
Male	Person	-	-	26
	%	-	-	47.27
Female	Person	-	-	29
	%	-	-	52.73
Operational staff				
Total	Person	-	-	457
Classified by gender				
Male	Person	-	-	273
	%	-	-	59.74
Female	Person	-	-	184
	%	-	-	40.26
Other types of diversity				
Classified by				
People with Disability				
Disability	Person	-	-	0
	%	-	-	0.00
Ability	Person	-	-	518
	%	-	-	100.00
Race				
Thai	Person	-	-	518
	%	-	-	100.00
Others	Person	-	-	0
	%	-	-	0.00

Performance data	Unit	2021	2022	2023
Religious				
Buddhist	Person	–	–	502
	%	–	–	96.91
Christian	Person	–	–	3
	%	–	–	0.58
Muslim	Person	–	–	13
	%	–	–	2.51
Others	Person	–	–	0
	%	–	–	0.00

Remark: Since 2023 marks the first year the Group has collected data on the number of employees divided by country of operation, gender, age, level, disabilities, race, and religious, data for 2021–2022 cannot be provided.

New employee hires

Performance data	Unit	2021	2022	2023
Total number of new employee hires	**Person**	**104**	**108**	**118**
New employee hiring rate	**%**	**17.50**	**22.78**	**22.78**
Classified by				
Gender				
Male	Person	58	63	84
		55.76	58.33	71.19
Female	Person	46	45	34
		44.23	41.67	28.81
Age				
Under 30 years old	Person	91	84	85
	%	87.50	77.78	72.03
31–50 years old	Person	13	24	28
		12.50	22.22	23.73
Over 50 years old	Person	0	0	5
	%	0.00	0.00	4.24

Employee turnover

Performance data	Unit	2021	2022	2023
Total number of employee turnover	Person	327	190	76
Employee turnover rate	%	**55.14**	**40.17**	**14.67**
Classified by				
Gender				
Male	Person	233	148	44
	%	71.25	77.89	57.89
Female	Person	94	42	32
	%	28.74	22.11	42.11
Age				
Under 30 years old	Person	185	81	41
	%	56.57	42.63	53.95
31–50 years old	Person	142	98	33
	%	42.43	51.58	43.42
Over 50 years old	Person	0	11	2
	%	0.00	5.79	2.63
Total number of voluntary employee turnover	Person	–	–	76
Voluntary employee turnover rate	%	–	–	**100.00**
Classified by				
Gender				
Male	Person	–	–	44
	%	–	–	57.89
Female	Person	–	–	32
	%	–	–	42.11
Age				
Under 30 years old	Person	–	–	41.00
	%	–	–	53.95
31–50 years old	Person	–	–	33
	%	–	–	43.42
Over 50 years old	Person	–	–	2
	%	–	–	2.63

Remark: Since 2023 marks the first year the Group has collected data on the number of voluntary employee turnover, data for 2021-2022 cannot be provided.

Maternity leave and childcare rights

Performance data	Unit	2021	2022	2023
Number of employees entitled to maternity leave and childcare				
Male	Person	–	–	–
Female	Person	186	216	214
Number of employees who applied for maternity leave and childcare				
Male	Person	–	–	–
Female	Person	9	5	5
Number of employees returning to work after maternity leave and childcare				
Male	Person	–	–	–
Female	Person	9	4	5
Number of employees returning to work after maternity leave and childcare and continued working for at least 12 more months				
Male	Person	–	–	–
Female	Person	9	4	5
– Return to work rate after maternity leave and childcare	%	100.00	80.00	100.00
– Employee retention rate after returning from maternity leave and childcare	%	100.00	100.00	100.00

Creating Organizational Culture

Survey of organizational values perception	Unit	2021	2022	2023
Perception through Annual Training	%	–	78.00	100.00
Perception through New Employee Orientation	%	–	88.00	100.00

Remark: Since 2022 marks the first year the Group has collected data on Organizational Values Perception, data for 2021 cannot be provided.

Survey of employee satisfaction and engagement	Unit	2021	2022	2023
Job Satisfaction	%	–	77.00	77.60
Engagement Level towards Organization	%	–	80.80	82.40

Remark: Since 2022 marks the first year the Group has collected data on Employee Satisfaction and Engagement, data for 2021 cannot be provided.

Human Rights

Subject	Unit	2021	2022	2023
Number of significant complaints regarding human rights and equality	Case	0	0	0

Human resource development

Training hours	Unit	2021	2022	2023
Average training hours for all employees	Hours/Person/Year	28.47	28.35	57.94
Total of training hours for all employees	Hours	16,882	13,495	30,014
Classified by gender				
Male	Hours	–	–	22,045
Average training hours for male	Hours/Person	–	–	72.51
Female	Hours	–	–	7,969
Average training hours for female	Hours/Person	–	–	37.24
Classified by level				
Senior management	Hours	–	–	178
Average training hours for senior management	Hours/Person	–	–	29.67
Middle management	Hours	–	–	1,871
Average training hours for middle management	Hours/Person	–	–	34.02
Operational staff	Hours	–	–	27,965
Average training hours for operational staff	Hours/Person	–	–	61.19
Training expenses				
– Total of training expenses	Baht	570,223	909,495	1,592,488
– Average training expenses	Baht/Person	961.59	1,910.70	3,074.30

Remark: Since 2023 marks the first year the Group has collected data on training hours divided by gender, and level, data for 2021-2022 cannot be provided.

Workplace safety management

Subject	Unit	2021	2022	2023
Number of occupational fatalities				
Employee	Person	0	0	0
Partners/Suppliers	Person	0	0	0
Lost Time Injuries Frequency Rate (LTIFR) in the Group's areas of operations				
Employee	Cases/1,000,000 working hours	4.07	3.86	3.25
Partners/Suppliers	Cases/1,000,000 working hours	–	–	0

Remark: Since 2023 marks the first year the Group has collected data on partners/suppliers' occupational fatality and Lost Time Injuries Frequency Rate (LTIFR), data for 2021-2022 cannot be provided.

Community and social engagement

Social and community relations activities	Unit	2021	2022	2023
Community and social activities related to the Group's operations and expertise (CSR-in-Process)	Project	3	3	5
Social activities unrelated to the Group's operations (CSR-after-Process)	Project	8	11	15

GRI Index

| Disclosure	Description	Location (Page)	Detail / Omission	GRI Sector Standard Ref. No.
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GRI 2 : General Disclosures 2021				
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2-3	Reporting period, frequency and contact point	8		
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2-5	External assurance	–	Core option	
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Disclosure	Description	Location (Page)	Detail / Omission	GRI Sector Standard Ref. No.
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OPINION SURVEY FORM
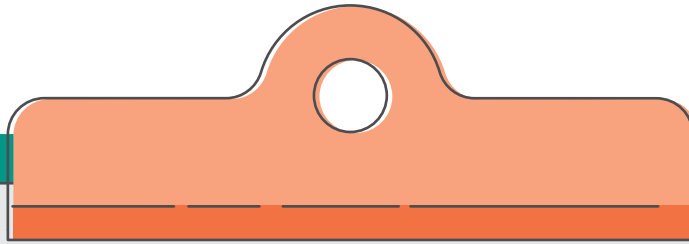
Information from the readers' questionnaire on the Sustainability Report 2022 will be used to improve the content, disclosure format and development of future reports. Please tick ✓ in the box ◯ and express your opinion in the box.

1. Basic information   ◯ Female   ◯ Male   ◯ Other genders

2. As a reader of this Sustainability Report 2022, please indicate which group of readers you are?

◯ Corporate employee   ◯ Customer   ◯ Shareholder/Investor   ◯ Societyandcommunity

◯ Business partner   ◯ Media   ◯ Student   ◯ Government agency or state enterprise

◯ Research institutes or educational institutes   ◯ Others, please specify………………………………………………………..

3. How did you receive this Sustainability Report 2022? (you may select more than 1 answer)

◯ Company's website   ◯ Seminar   ◯ Company's employee

◯ Company's visit   ◯ Others, please specify………………………………………………………..

4. What purpose do you read this Sustainability Report 2022? (you may select more than 1 answer)

◯ Information for making investment decision

◯ Guideline for self-report preparation

◯ Study and research

◯ Others, please specify………………………………………………………………………………..

5. Please specify your opinion on this Sustainability Report 2022.

	High	Medium	Low	Poor
How appropriate and reliable is the disclosed information?	◯	◯	◯	◯
How well do you understand the Company's sustainability issues after reading the disclosures?	◯	◯	◯	◯
How does the information disclosed match what you wish to know?	◯	◯	◯	◯
How satisfied are you overall with the Company's disclosed reports?	◯	◯	◯	◯

6. Please select the key sustainability issues that are important to you. (you may select more than 1 answer)

Economic

- ○ Good corporate governance
- ○ Creating economic value to stakeholders
- ○ Business ethics
- ○ Anti-corruption
- ○ Risk Management and business continuity
- ○ Innovation and Process Development
- ○ Supply chain management
- ○ Customer and product responsibility
- ○ Compliance with ESG laws

Environmental

- ○ Environmental performance
- ○ Greenhouse gases
- ○ Energy management
- ○ Water management
- ○ Waste management

Social

- ○ Social performance
- ○ Employees care
- ○ Human Resource Development
- ○ Organizational culture building
- ○ Human Rights
- ○ Occupational health and safety in the workplace
- ○ Social activities and community participation

Please specify your suggestions to improve the disclosure of information in the Company's sustainability report for the following year.

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You can complete an online reader survey by scanning the QR code or sending the survey response form to e-Mail: SD@iii–logistics.com.

Triple i Logistics Public Company Limited would like to thank you very much for your kind cooperation.

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