



Sustainable Growth

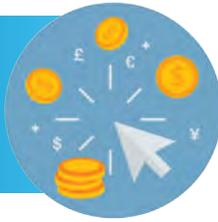
THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED

Sustainability Report 2022



Be Friendly to
the **Environment**

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Message from the Chairman

Message to the Stakeholders

The year of 2022 continued to be the year of social and economic fluctuations due to the new variants of Coronavirus (Covid-19) situation that changed from the pandemic to the endemic disease and the lack of semi-conductor parts in the automotive industry caused production to slow down. As a result, the Company has to operate with dedication in order to maintain its performance, as well as taking care of the environment, employees, and local and international communities.

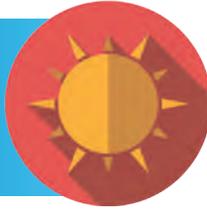
The company is a manufacturer of automotive lighting equipment that remains focused on the development of products' quality to meet customer requirements, as well as to be environmentally sound and sustainable in social and environmental dimensions. The company values the employees, which are core resources of the company, by developing their knowledge and talent, promoting good quality of life with a tangible and continuing benefits, as well as focusing on safety and risks which are important and related to life and property. About the environment and energy conservation, the Company conducts activities with care that will not affect the community, and also encourages the use of tools to reduce environmental impact and improve energy efficiency. In 2022, the Company has received an environmental award from the customers which we take pride in and has encouraged us as the whole company. In the local community, the Company is committed to regularly participating activities in various occasions in order to build the good relationships and pay back to the society on an ongoing basis.

The company continues to strive for its mission to be a company of value, growth in its performance as a manufacturer of automotive lighting solutions that meet industry and vehicle safety needs, as well as social and environmental sustainability, the company, and all Stanley employees. We will be united in action and spirit to get through all of these challenging situations together.

Mr. Apichart Leeissaranukul
Executive Chairman



2022 Awards



Awards from Customers



1. TVP Excellent Award (Theoretical Value based production activity 2021) (September 2022) From Thai Yamaha Motor Co.,Ltd.



2. Award for Effort of Delivering no defective parts for Consecutive 6 Months (Jul 2022) From Mazda Motor Corporation



3. Regional Quality Award (November 2022) From Nissan Motor (Thailand) Co.,Ltd.



4. Top Supplier Award (November 2022) From Auto Alliance (Thailand) Co.,Ltd.



5. The Best of Quality Award (March 2023) From Thai Suzuki Motors (Thailand) Co.,Ltd.



6. Outstanding Performance Supplier for Early Achievement of 2030 target in Environment (CO₂ Reduction Award) (March 2023) From Toyota Daihatsu Engineering & Manufacturing Co.,Ltd.



7. Safety Riding Award (March 2023) From Thai Honda Manufacturing Co.,Ltd



8. Monozukuri Award (March 2023) From Thai Honda Certificate from Customer)



**Certificate of Appreciation
Good BCP From Toyota
Corporation Club (TCC)**



1. Certificate of Appreciation
Good BCP From
Toyota Corporation Club (TCC)

Award from Government



1. The Outstanding Workplace
Award for Labor Relations and
Welfare Award (17th consecutive
year) (November 2022) From
Ministry of Labour



2. The Outstanding Award for
Safety, Occupational Health
and Working Environment
(19th consecutive year)
From Ministry of Labour



3. Good Labor Relations Project
following the sufficiency economy
philosophy (June 2022) From
Ministry of Labour



4. Welfare committee award
(June 2022) From
Ministry of Labour



5. Healthy canteen award
(May 2022) From
Ministry of Public Health



About this Report



Reporting Guideline

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

The 2022 Sustainability Report is prepared using the sustainability assessment principles of the Stock Exchange of Thailand. And some parts use the Global Reporting Initiative (GRI) framework. The main content will report economic, social and environmental performance, for our shareholders, employees, customers and all related parties to understand and acknowledge the company's development determination with sustainability.

Report Scope

This report presents the information on policies and operating results of Thai Stanley Electric Public Company Limited from the period between 1 April 2022 - 31 March 2023. It does not cover the joint ventures the Company has established in Thailand and overseas. The main financial data is shown in 2022 Annual Report

Information Collection

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

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



General Information

Company Name :

Thai Stanley Electric Public Company Limited

Name in the Stock Market :

STANLY

Business :

A completely integrated business of automotive lighting equipment manufacture and distribution

Date established :

Company Registered date 30 May 1980

Public Company Registered date 26 July 1993

Location :

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

CEO :

Mr.Koichi Nagano, President

Registered capital :

383,125,000 Baht

Employees :

2,930 person (Data as March 31, 2023)

Member :



Thai Stanley Business with Sustainability



Nature of business

● Thai Stanley Electric Public Company Limited engages in the business of manufacturing and distributing complete automotive lighting equipment from product design to production and delivery to domestic and international automotive manufacturers. The company has a management policy that mainly meets customer satisfaction as well as giving value to stakeholders in all aspects.

Our Products

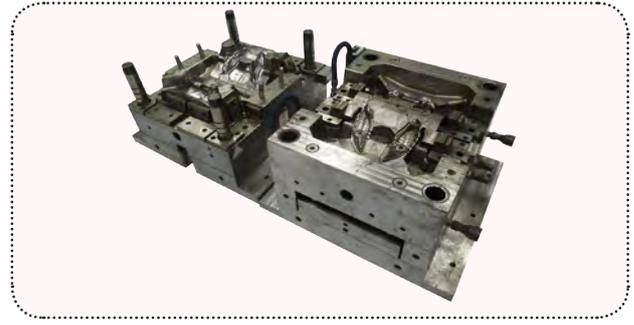
● The Company's products are divided into 3 categories: automotive lamps; Automotive lamp sets and molds, with research and development from design and production that are consistent and related to all 3 products and evolved from being a lighting device to a safety device system for drivers of all types of vehicles.

1 Automotive Bulb The company produces halogen automotive bulb such as T19, T25, which are produced to assemble into a set of automotive lamps and sold as a product in the replacement market and distributed to the Stanley group abroad. Currently, there is one factory with sales of approximately 5% of the total sales.



2 Automotive Equipment Lamp Consisting of a set of Head Lamps, Rear combination Lamps and Signal Lamps, which are products that the company designs and manufactures specifically for each model of the vehicle mainly for the domestic automotive manufacturers and distribute to affiliated companies in foreign countries as well. Currently, there are five lamp factories with sales of approximately 94% of total sales.

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



Sustainability Policy and Strategy

The Company is committed to conducting business to achieve its goals with efficiency, be a good entrepreneur for society, one of the company's visions is to give importance to sincerely value and nurture those who support Stanley assuming that the company's supporters those who are involved with the company in all aspects, including employees, shareholders, customers, buyers, sellers, communities and local society.

Each year, the company sets management goals. This includes taking safety actions. environment and society as well High-level executives will continue to monitor and evaluate performance in various areas on a monthly basis.

Determining sustainability issues by importance

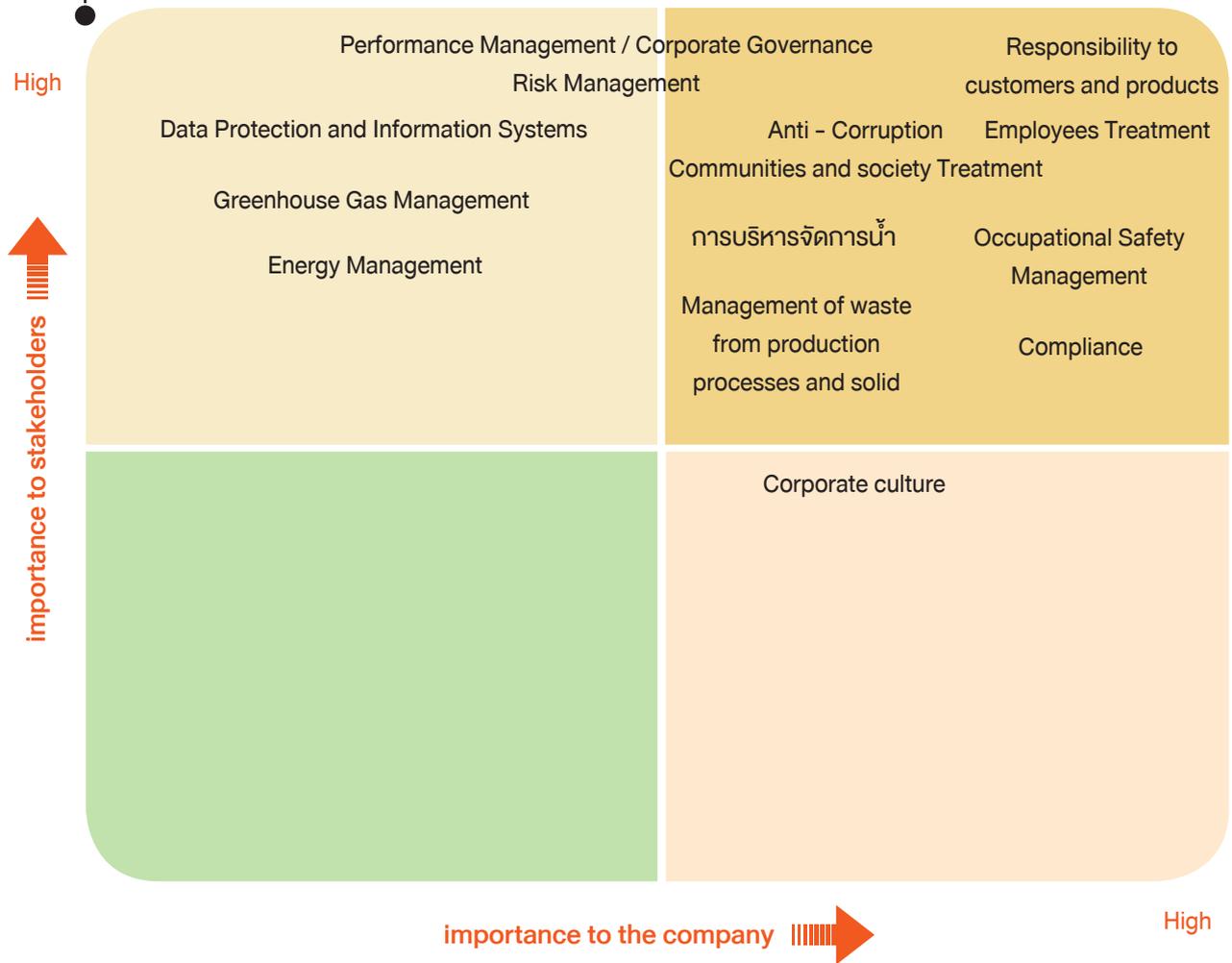
The Company has prepared a list of issues related to sustainability to connect with stakeholders. and assess the level of importance to draw conclusions and determine sustainability issues, as well as to set goals and procedures as follows:



Connecting sustainability issues with stakeholders

stakeholders Sustainability Issues	customer	Supplier	Employee	Shareholder	Government agency, Local organization, Various regulatory agencies	Local community
Environmental issues						
1. Water management	●				●	●
2. Management of waste from production processes and solid waste	●				●	●
3. Greenhouse Gas Management	●					
4. Energy Management					●	
5. Pollution Management, Noise, Odor	●				●	●
Social issues						
6. Employees Treatment			●	●	●	●
7. Occupational Safety Management			●	●	●	●
8. Communities and society Treatment				●	●	●
9. Corporate culture			●			
Economic issues						
10. Performance Management/ Corporate Governance				●		
11. Anti-Corruption		●		●	●	
12. Risk Management	●			●	●	
13. Compliance				●	●	
14. Responsibility to customers and products	●			●		
15. Supplier Management		●				
16. Data Protection and Information Systems	●					

Determining sustainability issues by importance



Sustainability Goals

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

 <p>6 CLEAN WATER AND SANITATION</p>	<p>Goal No. 6: Ensure availability and sustainable management of water and sanitation for all</p>	<p>Target Reduce the use of tap water Bring water into the system and circulate it.</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Goal No. 7: Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p>Target Increase the use of renewable energy by increasing the installation area of Solar cell</p>
 <p>13 CLIMATE ACTION</p>	<p>Goal No. 13: Take urgent action to combat climate change and its impacts</p>	<p>Target Reduce electricity consumption Reduce CO₂ emissions Cultivate the concept of sustainable development, training for knowledge Environmental and energy conservation for employees at all levels.</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>Goal No. 10: Reduce inequality within and among countries</p>	<p>Target Implement the concept of STARS Plan and implement human resource measures to have the ability to think through the end of the process.</p>

Business Value Chain and Stakeholders Management

Business value chain

From the nature of the business of manufacturing automotive lighting equipment for sale to automotive manufacturing companies. There are people involved in every step that is the company's business value chain and must pay attention to every group. The company has set up a specific unit for contacting and supervising, and the Company sets a policy for the purchase and sale of goods and assets that provided as a practical guideline. There are management and operations for each group divided by activities as follows.

Main Activities				
Process Stakeholders	Sale Offering and product design	Production	Product delivery	Quality Assurance
	Products that meet customer needs Use environmentally friendly raw materials and a safety system for automotive users	using modern machinery and equipment. Optimize production with SNAP	Following to customer's delivery plan and manage stock	100% quality inspection system
Inside the company	Satellite Division DC Division	Production Department	CD Section	Quality Assurance Department
Outside the company	Customer (Automotive maker)	Sub Maker	Transportation Delivery	Customer (joint guarantee)
Support activity				
Process Stakeholder	Technology development systems	Procurement	Infrastructure Management Utilities	Human resource development
	Supports all functions in the company	Provide quality raw materials reasonable price	Supporting production in the areas of electricity, water systems and routes within the company	Supervise and support employees
Inside the Company	Information System Department	Purchasing Department	General Affairs Department	Human Resource Department Safety & Environment Department
Outside the Company	System provider	Supplier	System provider	Outsource



Participation of Stakeholders

The company sets the policy governing the rights of stakeholders is further described in the corporate governance policy and the Code of Conduct of directors and employees topic. Stakeholders may contact us or file a grievance via our website at companysecretary@thaistanley.com where an agency and specific procedures are arranged to handle the matter.

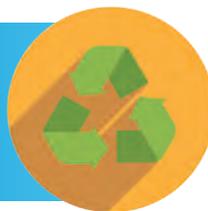
The company gives importance to and recognizes the rights of each group of stakeholders by considering relevant issues between the company and the stakeholders as well as management as follows:

Stakeholders	Participation channels	Issues of Interest	The Company's action
Customers 	<ul style="list-style-type: none"> - Annual meeting - Information sessions - Policies relating to activities 	<ul style="list-style-type: none"> - Production capacity - Product quality - Delivery - Compliance with customer's policies and various laws - Business Continuity Plan (BCP) - Confidentiality new product 	<ul style="list-style-type: none"> - Requiring the Satellite Division to exclusively look after each client - Attending customers' Meetings
Supplier 	<ul style="list-style-type: none"> - Supplier meeting - Informing sessions - Policies relating to activities 	<ul style="list-style-type: none"> - Purchasing order target/ plan - Related policies and practices affecting purchasing orders 	<ul style="list-style-type: none"> - Requiring the Purchasing Department to look after groups of suppliers based on what they order (i.e. raw materials and others) - Organizing annual meeting - Providing management advices regarding production and other criteria.
Employees 	<ul style="list-style-type: none"> - Electing/appointing a representative to sit in the Welfare and other committees - Communicating policies and other information - Appointing employee representatives to attend meetings with other Departments - Providing contact and grievance channels both with in Thai Stanley and representative companies 	<ul style="list-style-type: none"> - Policies, goals, business directions - Remunerations, welfare and other staff benefits - Capacity building - Work environment, Health, Safety, Security and Environment (HSSE) - Facilities, rest space - Other health promotion and relaxation activities 	<ul style="list-style-type: none"> - Have management representatives attend meeting with every Department - Representing employees through an election process in the Welfare Committee - Appointing employees at various subcommittees - Organizing activities and providing welfare to employees annually

Stakeholders	Participation channels	Issues of Interest	The Company's action
Employee (continue)			<ul style="list-style-type: none"> - Providing contacting/grievance Channels - Providing channels to communicate with employees such as through information board, Lotus Note mail, PA system and Meetings
Shareholders 	<ul style="list-style-type: none"> - Annual Shareholders' Meeting (AGM) - Investors Relations (IR) - Annual Report and other reports - Company website 	<ul style="list-style-type: none"> - Performance and business Goals - Dividend payment policy and other management policies - Code of Conduct and anti-corruption practices - Qualifications of Board of Directors 	<ul style="list-style-type: none"> - IR acting as a point of contact for information - Organizing an AGM - Disclosing information through various channels such as website, annual report, SD report and MD&A - Organizing company visit (as appropriate)
Public agencies, local administration organizations, regulatory agencies 	<ul style="list-style-type: none"> - Attending projects - Attending meetings - Paying courtesy visits 	<ul style="list-style-type: none"> - Legal compliance - Public Private Participation (PPP) - Management of impacts against communities and the society 	<ul style="list-style-type: none"> - Collaboration by attending meetings and activities - Arranging company visit (as appropriate) - Supporting activities
Local communities 	<ul style="list-style-type: none"> - Attending activities at various Projects - Attending meetings - Paying courtesy visits - Providing grievance/complaint channels 	<ul style="list-style-type: none"> - Managing impacts against Communities - Promoting or assisting communities 	<ul style="list-style-type: none"> - Coordinating with local Representatives - Supporting or attending local activities - Inviting local representatives to attend our activities



Environmental and Energy Conservation Operations



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

Environmental policy

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

1. The Company is committed to operating, controlling and protecting the use of resources and the environmental impacts arising from the operation all activities of the company to comply with environmental laws and other relevant requirements including the change of the world in the new century in the Stanley group.
2. The company is committed to developing and improving the environmental management system related to processes, products and services continually to prevent and reduce environmental impacts as well as expanding the results to those related to the activities of the company.
3. The company supports and promotes the organization of various environmental activities both inside and outside the company, such as environmental management in the work area. (Environment Shop Floor Management), Training, public relations, etc. to help stimulate environmental awareness among stakeholders of the organization, including the conservation, prevention and reduction of both direct and indirect environmental impacts.
4. The company discloses the environmental policy. To communicate and demonstrate commitment to control, protect, develop and improve the environmental management system to stakeholders and the public
5. The Company regularly and continuously assesses its compliance with the policies set out above.

The 2022 environmental policy

is zero of environmental disaster by enhancing environmental and compliance capabilities

The environmental target for 2022 are:

- The CO₂ emissions compared to Value added decreased by 3% from 2019.
- Water consumption compared to Value added decreased by 1% from 2021
- The waste disposal is reduced by 1% from 2021 and promotes recycling within the area and determining recycling sources.

Environmental slogan

“Stanley joins forces to use resources worthily by using the 3Rs principle: reduce-reuse-recycle.”

Environmental Management

The Company has appointed an Environment Committee and ER - Environment Responsibility, consisting of executives and employees from all departments. There are currently 73 person. Acts to push, recommend, and environmental management systems which considers the relevance of environmental laws and other requirements and to follow Environmental Management Policy of the Company and the Stanley Group (Japan Stanley Environment Policy) The Safety & Environment Department is responsible for driving various operational activities covering all areas For environmental activities in 2022 are as follows:

1. Activities to reduce the use of important resources

1.1 Water, The company needs to use water for production and consumption each year in large quantities .The sources of water are as follows: 71.04% of tap water from government agencies, 7.07% of raw water, and 21.89% of recycled water. The company regularly monitors the quality of water every month.

Operation.

1. Recycle water is used in the water curtain system of the coating process in the lamp factory. lawn watering system and used in the toilet at the PQC welfare building. Currently, recycle water is used, accounting for 71.07 percent of the total wastewater.

2. The company requires the design of new buildings and public utilities to use sanitary ware that saves water, including the use of sensors within the company since 2021.

1.2 Paper, The work of various departments both from the office and the production department uses a lot of paper. The company has a goal to reduce its use by finding other tools such as various computer programs.

Operation

To reduce paper usage rate by 1% from the base year of 2021 by modifying the conformity assessment method through the use of the Excel program. Information System and set up a campaign to reduce the use of paper for every unit at least 1 project per department.

1.3 Waste Management, Reducing the use of plastic bags, waste sorting, etc. and the company has reduced the amount of waste sent to landfill disposal with the following wastes: batteries, chemically contaminated packaging, lamp scrap, ink cartridges, duct pipes, graphite electronic devices, filter materials. waste water and ceiling sheets or gypsum walls



Operation

Campaign for waste separation and change waste disposal methods by pushing for disposal, Reuse and Recycle. Organize monitoring activities from the Environment Committee every quarter to examine the waste management of each agency. and public relations to create awareness by training on Company waste management for employees as well as campaigning for all agencies to create a waste reduction project At least 1 project per department.

2. Monitoring by management and external agencies

In order to improve and maintain a good environment always, The company requires top executives to monitor every area on a monthly basis. In 2022, the company provides external standards agencies to measure various pollution values within the company, such as noise, waste water, heat and air quality, the measurement results are within the standard.

3. Environmental training

The company has set up regular environmental training, including training for new employees who come to work in order to raise awareness of employees to be aware of environmental problems, regulations courses. ISO14001:2015, waste management courses within the company, etc.

4. Environmental campaign activities

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

Trees for increase green space and help absorb CO₂ Activity



World Environment Day



Green Factory Project 2022



5. The Learning Center of the Environment and Energy Conservation

Since 2021, the company was established Environmental and Energy Conservation Learning Center Under the 3Rs principle (Reduce, Reuse and Recycle) is part of the Good Labor program. This is a project incorporating the philosophy of sufficiency economy to use the area to benefit employees and create green space within the company. The area for creating an environmental and energy conservation learning center is located at the side of the Lamp 7 building, with an area of 196 square meters.

Plans and operations The operation is divided into 2 phases. Phase 1 started on December 12, 2021, consisting of a prototype of reusing waste materials. Reduce CO₂ emissions by using alternative

energy. sufficiency economy vegetable plots Sustainable Ecosystem and reduce waste by means of sorting, separating, exchanging money, etc.

Phase 2, which will start in May 2023, will consist of off-site learning areas. Emphasis on teaching and learning by doing to bring knowledge back to use in daily life to increase income. Reduce expenses and build a network of knowledge transfer.



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

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

Energy conservation policy

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

Energy Conservation Management

In business operations and production processes of the company Secondary Energy is used such as electricity, liquefied petroleum gas (LPG). The management guidelines have been established to effectively reduce greenhouse gas emissions (Greenhouse Gas). This starts with quantifying, monitoring, reporting and verifying GHG emissions and reductions. Including the selection of clean energy (Solar Rooftop), as well as creating a culture of energy and environmental conservation for employees and outsiders to practice. To achieve carbon neutrality at the corporate level (Carbon Neutral Corporate).

Energy conservation slogan for 2022 Stanley joins the heart Make the most of available resources
Close-Adjust-Discharge-Change to preserve the environment and sustainable energy



Environmental
slogan 2022

“Stanley joins forces to use resources worthily by using the 3Rs principle: reduce-reuse-recycle.”

Analysis of key issues and approaches to energy management

The main energy that the company uses in its business operations are as follows

- 1. Electric power,** Currently the company necessary to use electricity for business operations and from production, accounting for 10.46% of the company's total expenses. The energy is consumed by using electricity from the government sector. (Provincial Electricity Authority) about 27%, about 72.21% are purchased from the private sector and about 0.79% from clean energy (Solar Rooftop).
- 2. Fuel,** The Company uses fuel in business operation and production as follows: Diesel 21.03% Gasoline 12.23% Natural gas (LPG) used in the production process 49.98% and used in the cooking of the shops 16.76%

In the year 2022, there are goals and plans for managing energy and greenhouse gases as follows:

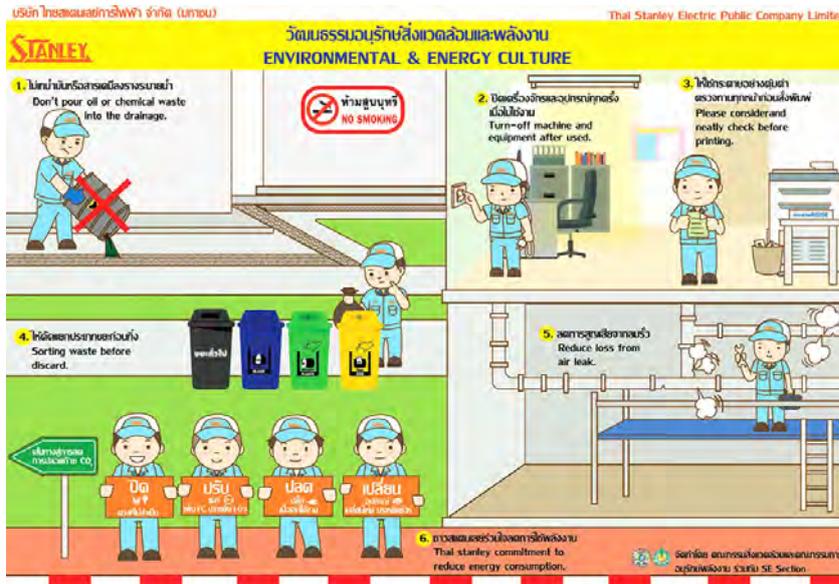
- Reduce carbon dioxide emissions (CO₂) by 3% from the base year of 2019 by having activities to monitor energy use (Energy Patrol) by using Yellow Card, ABC Activity, Power meter to analyze wasted energy, by covering the main machines with the highest energy consumption and in the future will be installed to cover all areas, Energy Program, turning off the lights during breaks of each unit, energy awareness training. and promote the use of clean energy (Clean energy).

At present, the Company has installed Solar Rooftop on the roof of Lamp 7 factory and PQC multi-purpose building roof, which consists of a cafeteria, a library, and a gym. And an area for engineering, production support and trial training for production staff. before entering the actual production plant. That has a capacity of 1.2 MW, which can reduce electricity consumption in the year 2022 (Produced Energy): 1,179,679.85 kWh/Year, can reduce CO₂ emissions: 701.9 TonCO₂/Year and help reduce electricity bills. (Reduce Electric Consumption) : 4,966,452.16 baht/year. And the company plans to expand the production capacity of solar cells in the future at the extension of the Lamp 7 factory building and the Lamp 8 factory building.



In addition, the company A campaign has been organized to encourage employees to participate in resource utilization worthily as follows:

- Establish a culture of environment and energy conservation Which is conveyed as pictures and text attached to various areas and make it easy for employees to find



- Public relations campaign via voice over the line every day at 11:30 AM.
- Monitoring from the Energy Efficiency Committee in every department, every week to provide conservation activities covering all areas
- Quarterly audits from top management to provide advice on ongoing energy conservation activities.
- Energy Conservation Potential Assessment and energy management status.

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

Social activities



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

1. Labor management and HR development

Year 2022, the company has a policy to manage personnel. is the realization of the STARS Plan* concept and personnel measures. Build people who are capable of thinking through the process. by defining personnel guidelines and taking action on the part of Organizational Development / Hiring Strategy with appropriately and recruiting experienced specialists in specific fields to make the concept of the STARS Plan a reality

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

Labor Management

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

Thai Labor Standard Policy

1. Thai Stanley Electrics commits to comply with the provisions of the Thai labor laws, requirements of the Thai labor standard as well as other relevant laws and regulations.

2. Thai Stanley strives to enhance the quality of life of our employees as well as workplace environment and welfare as appropriate and will work to have them improved or enhanced on a continued basis.

3. Thai Stanley will review the adequacy, the suitability and the effectiveness of our policy, work regulations and performance results.

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

The company take the Certified of Thai Labor Standard (TLS 8001-2010), the complete version from the Ministry of Labor Which has been assessed by the Ministry of Labour annually.



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

Human rights issues

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

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

Issues of inequality and discrimination

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

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

Hiring of the Disabled To supporting company persons with Disabilities empowerment and development Act 2007, Section 33 and Section 35, with disabilities being accepted to work in various departments. Currently total 2 people.

In addition, the company supports income generation for the disabled in another way by opening the opportunity to sell products within the company on a monthly basis under the project Disabled labor market and career for people with disabilities (Mor.35), 33 people

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

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

At present, the company has 11 representatives of employees elected to be the Welfare Committee and 16 of the Occupational Safety, Health and Environment Committee, with elections every 2 years. The company provides measures to facilitate the employees' representatives in performing various duties. Equal to other employees without being harassed, transferred, terminated, or practiced that is not fair



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

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

- Hygienic facilities are clean and sanitary toilets, clean water, first aid necessities, daily healthcare service offered by doctor and a professional nurse available throughout office hours, clean canteen and healthy and inexpensive food are provided and has been assessed by the Pathum Thani Provincial Public Health Office by receiving the Safety Canteen Award.

- Supporting knowledge and interests outside working hours, including library and internet (Library Café), fitness room, yoga room, etc.

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

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

Kathin ceremony wat Chinwaram worawihan Pathumthani Province



New Year's eve Merit



THAI STANLEY FARM



by the principle of
sufficiency economy



The company organized the **THAI STANLEY FARM project** - a good breed labor project according to the sufficiency economy way. with the concept of sufficiency economy philosophy as a welfare in terms of improving the quality of life of employees Reduce the burden of expenses in the high cost of living situation, by allocating the land behind the Lamp 7 factory to create a learning center on environment and energy conservation and a vegetable garden area. In the first phase, the company supported the budget for seeds, tools and equipment used for cultivation. As well as providing training courses to educate knowledge on agriculture, plant cultivation. or fertilizing for employees applying for the project and employees who are close to retirement so that employees can apply their knowledge to work after retirement or use the knowledge gained to train employees in the next generation.





Encouraging employees to use technology In order to promote the use of technology to be in line with the change in the Thailand 4.0 era, the company aims to create a Digital Platform system to reduce the work of all departments, namely the E Learning & E Knowledge Library system to create an E Learning course, such as creating a QR Code, an employee handbook, training manual and other manuals for employees to download and Smart HR system by developing the work of the human resource department by creating the HRMS (Human Resource Management System) program in the category of leave that allows employees to apply for leave according to the right of employees by having their supervisor approve through the system.

Preparing various form programs in the Intranet system for employees to use instead of writing, for example, booking the meeting room in the company, booking the company's car, the election of the safety committee, and the Welfare Committee via QR Code

In addition, the company has a Cash less project, the company encourages employees to reduce the use of cash for various payments in the company by making payments through the money transfer system via the Siam Commercial Bank's application, such as food at the cafeteria, Reimbursement from cash advances from companies at the accounting and finance department, etc., in order to reduce the use of cash. Increase convenience and speed, reduce time for receiving and withdrawing money. Improves hygiene from vendors, reducing the handling of banknotes and coins.

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

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

In November 2022, the Company received the Outstanding Workplace Award for Labor Relations & Welfares from the Ministry of Labor for the 17th consecutive year.





Labour Relations & Welfares
Award Farm Ministry of Labour

Human Resources Development

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

1. Qualification, We determine job qualifications to reflect capacity levels of employees when it comes to their performances. The qualification is also used to determine fair and suitable remunerations.
2. Position, About duties, roles, authority and responsibility in each position of each department are clearly described. Promotion and qualification system are evaluated based on the criteria set by the Promotion Committee.
3. Rotation, this refers to the practice of rotating employees to work at another department to handle different types of work in order to create and enhance their capacity, which will finally allow them to be promoted.
4. Evaluation, The evaluation system determines criteria for evaluation, which will be used to support the increase of salary, awarding bonuses, promotion and career advancement. The system also reflects strengths and weaknesses of employees for further development. The evaluation criteria are based on the principles of fairness, suitability and acceptability.
5. Wage, The wage structure consists of base salary, competency allowance, title/position allowance and other assistance benefits such as overtime pay, overtime holiday pay, food stipend, attendance allowance and transportation and shift allowance. There will be an annual salary increase, which will be based on the following indexes: the government's increase of minimum wage, an inflation rate that indicates changes of the cost of living, and the industrial situation.
6. Skill Development, We strive through our policy to enhance employees' skill where minimum training hours for each level or position of employees are pre-determined.

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

Labour policy for the year 2022, The Company sets personnel development policy; with a target all employees must take training at least one course on knowledge or skills in the job



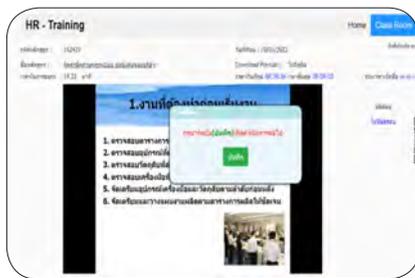
In 2022, the company organized 52 internal training courses, a decrease of 8%* from the previous year. There were 2,991 employees attending the training, equal to the previous year. The average number of training hours was 19.05 hours per person, a decrease of 23.8%* from the previous year. There were 156 external trainings, an increase of 15% from the previous year. Examples of training courses include courses on business knowledge of the company (New BA.), Team Building, Effective Goal Setting techniques and planning, Executive Development Program (MDP Generation 7), etc. And from the COVID-19 epidemic situation,

*the company has changed training and seminars to online and E-Learning about 80% of all seminars.

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



Online Training Goal Setting Course



Training Company Rule Awareness Course



Training MDP Course

Thai Stanley Power Up Project



The company has implemented a systematic personnel development reform program called Thai Stanley Power Up to support business growth and customer needs. Starting at the automotive lamp production section (LE's Reform Model), the project period is 4 years from November 2018 - March 2022. There are 6 activities in total, namely

1. **J-CoM (Job Competency Management)** is an activity for assessing the job competence of personnel in each role. To look for weaknesses and strengths leading to continuous development in the form of PDCA (Plan-Do-Check-Action).
2. **The Smart Manager** course is a course to develop personnel to grow into managers in the future. Possess organization-level problem-finding skills and formulation of organizational improvement measures strategies.
3. **Expert course** is a course for building personnel to have a variety of knowledge from New model to Mass Production.
4. **Survey 360°** is a 360-degree survey of opinions about each job function and the company's philosophy, that is to support the STARS Plan policy to come true.
5. **Quality In House** is an activity that works in the form of a committee named 3 Loss Improvement Committee whose mission is to review, analyze, correct and improve problems in the production process.
6. **Activity 5S patrol by customer view** is a risk detection of Quality, Safety, 5S. in the production process. and exchange views as customers lead to the prevention of problems and has developed production control processes, quality and continuous safety.

The overall performance is in line with the target. As a result of the project, employees at each level have systematically developed their knowledge and skills. Including the improvement of the production process that results in the reduction of waste in the production process (Defect in process) continuously.

After completing the project, the Company considers the following 3 activities:

1. **J-CoM (Job Competency Management)** is an activity for managing the ability of personnel in 6 levels: executives, managers, supervisors, inspectors, experienced practitioners. and general practitioners in the New Model, Production, Quality, Engineering, Planning departments. The competency level is divided into 4 grades: ABCD. The results of the evaluation showed that there were grades A = 10%, B = 26%, C = 35%, D. = 29% Jobs with a high number of A and B grades are in Production, Quality and Engineering respectively.



and has extended the effect to HR, PU, DM and QA department as follows

- Human Resources (HR) is divided into 5 categories: compensation management, organization knowledge development, project management, planning and recruitment, training and development.
- Purchasing Department (PU) divides work into 4 categories: control and development of parts of Mass Production, control and development of suppliers, development of new parts, risk management and business continuity planning.
- Die & Mold Department (DM) divides work into 2 categories: new molds, mold maintenance.
- Quality Assurance Department (QA) divides work into 4 categories: marketing quality assurance, quality system, testing quality assurance, quality requirements.

The company aims to make J-CoM activities widely used, making the personnel development model uniform throughout the company.

2. Expert course name changed to analytical staff course and the curriculum has been adjusted to be more suitable for analyzing problems in the production process. It is 26 theoretical courses and 1 practical course. The duration of study is 1 year. For 2022, there are a total of 31 learners from the quality departments of each factory. For instructors come from the selection of employees who are knowledgeable and skilled in each subject. The learning model will be taught in the classroom and on the job site. In 2022, 9 subjects have been implemented, with the rest to be continued in 2023.

3. Quality In House is an activity whose mission is to review, analyze, solve and improve problems in the production process. In 2022, there are 5 types of problem management models

- A list of high-cost problems. Once preventive measures have been established, they must not be repeated.
- A list of costly problems that do not yet have preventative measures. Preventive measures must be taken.
- Surveillance of problems arising in the beginning of Mass Production of New Model.
- Controlling 4M changes or design changes that are significant.
- Adjustment loss control and loss.

In each month's activities, progress will be reported to executives and managers on a monthly basis for consideration and advice. And through continuous operation, the problem in the production process is reduced to only 0.95%.

Activities are considered to continue on a day-to-day basis. For the goal of continuous personnel development and expansion throughout the company



Safety, Occupational Health and Work Environment

The Company has prioritized safety as the first issue in our management under a concept that “Every employee will leave home for work and be back home safely in all aspects.”

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

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

Safety Activities

The Safety Committee has been set up to consist of representatives from top management, elected and appointed representatives from our employees. At present we have 35 members Safety Committee to reviews policies and work plans, surveys the way we work as well as consider projects before submitting various operation reports to the Executive Board. The Safety Committee’s term of office is 2 years and it convenes at least once a month. Meanwhile, the Safety and Environment Department, which directly reports to the management, is a main body to help supporting various units to achieve activities based on corporate goals. It also collects safety statistics as a means to improve and propose a better and safer workplace environment and employee’s wellbeing.



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

In the year 2022, the company has established a safety management policy that is to create a safe and comfortable working environment due to zero accidents/zero accidents by setting targets and results as follows

Work-related accident = 0 (zero) Outcome: achieved

Work-related incident = 0 (zero) Outcome: achieved

Accident-free working hours 24,000,000 hours worked or more (Man x Hour)

The results achieved the target in May 2022 and the company has set a new target of 28,000,000 working hours or more.

Promotion of safety knowledge

1. Safety Learning Station (Safety Dojo)

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



2. Safety Training

The company organizes safety training annually. In 2022, it trained on the requirements for using forklifts, working with cranes, working with electricity, safety in chemical storage. And response in the event of an emergency, training for safety officers, supervisors, safety management, and the Stanley project together to create discipline, safe driving on the road, etc.



3. Safety, Environment and Energy Conservation Week Exhibition (SEE Week)



4. SEE to School activities

Safety and Environment Department corporate with Stanley Thailand Foundation to organize activities for promote safety, environment and energy conservation to educational institutions at Wat Bang Khu Wat School Wat Sadet Community School Pathum Thani Province. The activity consisted of handing out portable fire extinguishers. Giving separate garbage bins - exchanging - money Provide a prototype model for reusing waste materials instead of discarding. Education about waste separation Saving energy through a self-sufficient way of life Using a portable fire extinguisher cardiopulmonary resuscitation Proper and safe fire evacuation. The objective is to create additional knowledge for school personnel in taking care of themselves and students to be safe in the event of a serious fire. Including instilling and creating awareness in children and youth to be aware of the dangers of fire, environmental conservation and energy saving





In addition, the company has conducted safety campaigns such as voice along the line, Monday Meeting and news bulletin boards within the company continually.

Occupational Health

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

● **Employee health check-ups** The Company arranges annual health check-ups for all employees. with a list of general health checks and health check-ups based on risk factors for employees working in special areas, such as employees working in noisy areas with dust, hazardous chemical vapors, etc.

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



Health check-up results The company distributes the health check-up result booklet to all employees for acknowledgment. In case employees have any questions or want to discuss health problems, they can ask directly from the inspecting physician, as such information is kept as employee confidentiality. The company Organize doctors and nurses to serve employees in the company every day.

Implementation of the working environment

The company arranges to measure the working environment annually. There are measurements of heat, light, sound, and chemicals. The level of heat, sound, light intensity, and chemicals are controlled within the company according to the standards set.

Implementation of preventive measures against COVID-19

From the beginning of the year 2020 until now Situation of the epidemic of the COVID-19 virus continues to spread throughout the world In Thailand, there are still many infected patients. By taking preventive measures such as

- Arranging points for placing cleaning equipment such as hand sanitizer gel and alcohol throughout the company. Distributing face masks for employees to wear to prevent infection at all times from leaving the accommodation to the company. And same as on the way back home.
- Body temperature screening for employees and outsiders entering the company territory
- Preparing various signs for social distancing in common areas such as canteens, meeting rooms, etc.
- publicizing various news By increasing the dissemination of video media, the 9 commandments, Stanley joins the heart Fight against the threat of COVID-19 Let employees understand and follow such instructions. To prevent infection with the COVID-19 virus And allow employees to scan QR-Code to communicate with family, relatives, siblings and friends of employees.
- In July 2021 - 2022, the company has provided a vaccine. to all employees.

Currently the company Continue to maintain standards and monitor the COVID-19 virus vigorously and continuously.

From various activities seriously and consistently causing the company to receive an award on occupational safety and health In 2022, the company received the following awards:

1. The Outstanding Occupational Health and Safety Award for the 19th consecutive year from the Department of Labor Protection and Welfare Ministry of Labor (November 2022)

The company discloses the safety statistical data at Operation Summary Report



3. Supporting Local Communities and Society

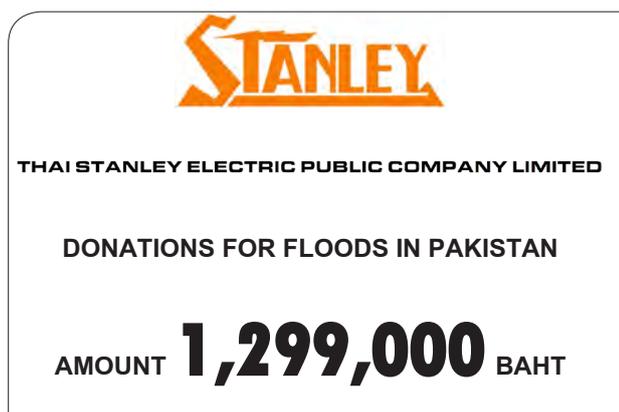
The Company is located at Banklang, Pathumthani, and has been established outside the industrial estate location. The company is highly cautious of impacts that may possibly cause to the surrounding communities. Never having any dispute with the community, the Company is in collaboration with Banklang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

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

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

In helping the global community In October 2022, due to the massive flooding in Pakistan, Stanley Group jointly donated money to help recover from flood damage. The company donated 1,299,000 baht through the United Nations High Commissioner for Refugees (UNHCR) to the Islamic Republic of Pakistan.

And in February 2023, the company donated to the Thai Red Cross Society. To help earthquake victims in Turkey and Syria, amount 650,000 baht



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

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

In 2022, the Stanley Thailand Foundation has organized important activities as follows.

1. Provide 2022 annual scholarships to 640 students from 143 schools in Pathum Thani Province and Nakhon Ratchasima Province. The total scholarship amount is 770,000 baht. The foundation also donated library book sets to 8 schools.



2. Activities to promote local culture, including support for the repair of the Pathum Thani City Pillar Shrine. And support the traditional long boat race, total amount 250,000 baht through Pathum Thani Provincial Administrative Organization.



3. Donate items used in daily life such as rice, dry food, seasonings, detergents, and dettol liquid to AIDS patients. In the hospital of Wat Phra Bat Namphu Lopburi Province and Lame children in Ruamphanya Lame Person Association, Nonthaburi province, total amount 120,000 baht





4. Provide relief bags to flood victims in Ban Klang Subdistrict, Muang District, PathumThani Province, total amount 189,835 baht



5. Support robot competition TPA Championship Thailand 2022 organized by Technology Promotion Association (Thai-Japanese) amount 100,000 baht



Economic Performance

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

Corporate Governance

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

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

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

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

The company participated in the evaluation survey project of the Corporate Governance Report of Thai Listed Company : CGR) on a yearly basis. In 2022, being evaluated at a level - **Very Good**

Business Ethics and Anti-Corruption

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

For the review and evaluation of this requirement, each department manager is directly responsible for assessing risks in various areas prior to informing the Risk Management Committee at least once a year.

Similarly, the Office of Internal Audit will be required to annually evaluate all corruption-related issues before proposing them to the Audit Committee and the Board of Directors, respectively.

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



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

Risk and Crisis Management

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

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

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

1. The Executive Board (EBM) adopts best practices for risk management and control to be part of the strategic management control policy formulation and management, according to the internal objectives of the company
2. The Risk Management Committee (RM Committee) is responsible for screening factors, likelihood and impact of risks on the implementation of strategic management policies compliance with the law or various standards related and have a severe impact on the company.
3. Corporate Governance Department / Risk Management and Control (RMC) Section is responsible for controlling Review and evaluate performance the management risk management plan exists in the operations of the management.
4. Management is responsible for evaluating and reporting risks in their responsibilities. and encourage and encourage employees in the department to have awareness and awareness of the importance of risk management.
5. The internal audit Section is responsible for confirming that the internal control system is suitable for management response and risk control, coordinate with various departments to communicate and monitor management efficiency and report the operating results to the Audit Committee.



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

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

Tax Management

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

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

In the previous year, the company had operating profit before tax of 2,153,469,870 baht, paid income tax 352,448,399 baht that tax charged rate 20, the company also received tax benefits from the investment promotion certificate (BOI).



Business Innovation and Sustainable Society from Thai Stanley

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

1. Satellite Division

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

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

2. Production Management by SNAP

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

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

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

1. Shortening Lead Time from raw material procurement to production process and delivery where the Material and Information Flow Chart (MIFC) was introduced as a tool to analyze circumstances and set targets for improvement. This applied specifically to the improvement of a delivery process of products among companies within the group.
2. Minimizing the size of production lot by improving preparation time for a production process so that it reflected production costs in terms of time spent and inventory value.
3. To enhance the knowledge of employees by improving the SNAP training course within the company. In the past year, the SNAP JUNIOR PLAYER course was developed as a basic course for new employees and operational staff and upgrade the SNAP PLAYER course by improving it as a course for leaders in production cost improvement. Building personnel to have knowledge and tools to improve that will be applied in accordance with the improvement



goals of reducing lead time and reducing stock. In addition, the development of defect management and control systems in the production process has created a database system for quality improvement (defect reduction) resulting in learning and expanding knowledge on waste management to other relevant agencies widely.



Training SNAP Player



SNAP Report

3. QCC (Quality Control Cycle)

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

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

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

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

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



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



4. Activity THAI STANLEY PRIZE AND CHALLENGE PRIZE AWARD

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



Summary Operation Result

Summary Operation Result	Unit	2022	2021	2020	2019
Economic Performance					
Common Stock, Revenue, Profit, Financial Ratio - as in Annual Report	Page	3, 66	3, 68	3, 93	3, 71
Corporate Governance Performance					
The number of complaints from business ethics violations that enter the company complaint system	Case	-	-	-	-
Violation of the Code of Business Conduct is a reality.	Case				
• Corruption	Case	-	-	-	-
• Use of company information	Case	-	-	-	-
• Human issues	Case				
• Giving and receiving bribes	Case	-	-	-	-
• Tax payment	Case	-	-	-	-
Human Resource Performance					
Total Employee	Person	2,930	3,003	3,107	3,084
Male	Person	1,596	1,640	1,693	1,692
Female	Person	1,334	1,363	1,414	1,392
Employee provide by division					
Administration Division	Person	95	112	118	96
Marketing Division	Person	86	45	112	55
Production and Support Division	Person	2,749	2,846	2,877	2,933
Employee by type					
Permanent	Person	2,658	2,626	2,662	2,765
Fixed Time	Person	272	377	445	319
Employee by nationality					
Thai	Person	2,912	2,982	3,085	3,060
Japanese	Person	18	21	22	24
Employee by aging					
Under 30 Years old	Person	956	1,156	1,184	1,206
30 - 39 Years old	Person	1,021	1,087	1,132	1,138
40 - 49 Years old	Person	723	630	639	605
Over 50 Years old	Person	230	130	152	135



Summary Operation Result	Unit	2022	2021	2020	2019
Employee by Position					
Executive Management	%	0.41	0.43	0.42	0.16
Middle Management	%	1.79	2.16	2.22	1.42
Primary Management	%	3.31	3.44	4.22	3.17
Unit Head and Leader Group	%	13.34	13.00	12.23	11.65
Employee	%	80.54	80.97	80.91	83.60
New Employee					
Male	Person	336	216	420	144
Female	Person	316	207	410	87
Resignation Employee					
Male	Person	300	334	422	251
Female	Person	216	270	378	183
Female Employee Maternity leave					
Maternity leave	Person	35	63	63	64
Back to work after maternity leave	Person	28	54	52	58
Training					
Training hour per employee (Average)	Hour	19.05	25.47	20.00	28.00
Training Expenses	Million Baht	1.76	1.70	1.10	12.85
Safety Performance					
Number of Accident-stop working* (Only Employees who have an accident)	Time	1	-	-	-
The number of deaths from working in the company					
Employee	Person	-	-	-	-
Other Person	Person	-	-	-	-
Number of illnesses and injuries from work					
Employee	Time	1	3	11	18
Other Person	Time	-	-	-	-
Environment and Energy Performance					
Material Utilization					
Main Material utilization (Resin)	Ton	8,705.74	9,634	8,123	11,419
Electricity and Fuel					
Electricity usage	kWh	147,458,637	107,058,814.6	86,290,247	109,082,595
Electricity usage from Solar Cell	kWh	1,179,679.85	1,190,896	932,705	246,659.64
Fuel usage (Gas)			280,985	228,784	459,246



Summary Operation Result	Unit	2022	2021	2020	2019
- Diesel fuel (company cars, other vehicles/engines (if any))	Liter	106,949.53			
- Gasoline (company cars, other vehicles/engines (if any))	Liter	62,204.19			
- Natural gas	Liter	254,227.91			
- LPG gas	Liter	85,248			
Waste, Defect and Industrial waste Disposal	Ton		4,023	3,355	5,185
- Waste and non-hazardous waste	KG	3,319,935			
- Waste and hazardous waste	KG	883,476			
Water					
Quantity of water usage					
Tap water	M ³	280,512	318,668	272,131	426,838
Groundwater	M ³	27,917.85	923	4,302	14,215
Recycle water usage	M ³	84,406.14	64,461	61,022	69,094
Greenhouse gas					
Greenhouse gas emissions	TonCO ₂	63,818.28			
Target of greenhouse gas emissions	TonCO ₂ / MTHB	8.76			
Verification of greenhouse gas emissions	TonCO ₂ / MTHB	9.48			



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Be Friendly to
the **Environment**