



BUILDING TOMORROW TODAY

SUSTAINABILITY REPORT 2023

MORE THAN JUST LIVING



BUILDING TOMORROW TODAY

A sustainable quality of life in the future can be created by starting to take actions together today.

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Vision

Transcend the Expected with the concept of
“More Than Just Living”

The Company is dedicated to creating ‘living solutions’ that are disruptively unique, yet authentic to the surroundings, so that we can simultaneously surpass the norm of ‘living’ and enrich the society at large while commemorating the beauty of nature and local heritage.

Mission

“Challenge The Boundary of Living”

Projects created by PROUD must go beyond a house to live in; they offer living solutions that would enhance the well-being of both individuals and society. With a strong determination to challenge the limits of people’s imagination and the boundaries of “living” every project undertaken by Proud Real Estate Co., Ltd. (PROUD) is designed with a commitment to defining a new standard of living. Through innovations that promote a more flawless integration with nature and surroundings, PROUD aims to enhance the quality of life and create a perfect living experience.

PROUD Pillars

To develop and deliver the best quality houses or residential properties, the Company shall rely on the understanding and cooperation of its employees. To ensure that everyone shares common goals and achieves the desired results, the Company's 3 main pillars consist of:

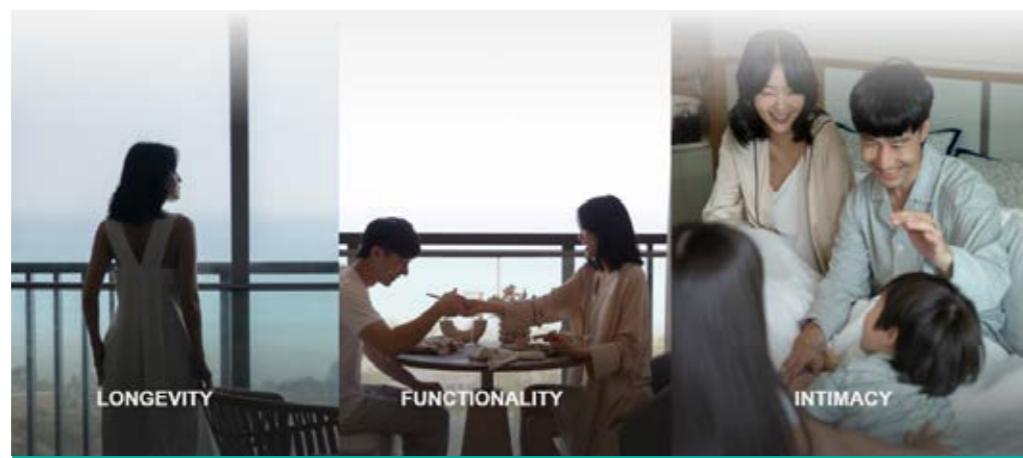
1. SENSE OF HOSPITALITY

For exceptional care and services, the Company values customers, addressing their needs from the outset before construction begins by focusing on design, construction, pre-customer service, and customer service. The Company ensures that customers receive excellent service aligned with our established principles.



2. VALUE OF HOME BEING

In creating a true value of home or residence, PROUD constructs houses, condominium, or residential properties with systematic analysis and consideration for sustainable living in every area and layout to ensure that customers' needs are fully fulfilled. The Company focuses on integrating lifestyles with nature, sunlight, and air for physical and mental well-being, as well as functionality. Every space in the residence retains its utmost value and serves to foster close family relationships and intimacy.



3. HARMONIOUS LIVING

In achieving flawless integration with distinctiveness, the focus is on three main components, starting from the smallest detail as follows:



PEOPLE

Understanding the diverse living patterns and needs of residents is crucial to us. We aim to create spaces that are not just responsive and inclusive for our residents, but also foster a sense of community for all.



COMMUNITY

Living that connects community and cultural heritage has been translated into the design and format of various activities or services, fostering a harmonious coexistence and creating a joyful and understanding community.



ENVIRONMENT

Our commitment to the environment is woven into our design philosophy. We aspire to create spaces that resonate with the rhythms of nature, embracing the sunlight, the caress of the wind, and the purity of the air to nourish the body, mind and soul. In this pursuit, we meticulously select materials that are kind to the earth and proactively engage in practices that lessen our ecological footprint, thereby nurturing a sustainable existence for all.

About the Company

Proud Real Estate Public Company Limited places a strong emphasis on sustainability. This year marks the first time the Company has produced a sustainability report. The Company's Board of Directors and employees at all levels have attached great importance to disclosing the organization's key management processes and comprehensive performance. These encompass economic, social, environmental, and governance aspects, aligning with the United Nations Sustainable Development Goals (UNSDGs). The Company is committed to communicating this information to all stakeholders. This sustainability report covers the reporting period from January 1st, 2023, to December 31st, 2023.

The Scope of the Report

This sustainability report presents solely the operational results of Proud Real Estate Public Company Limited and its subsidiaries, in which the Company holds direct or indirect shares representing more than 50% of the total voting rights of the company, or has control over financial policy-setting and operations, as follows:

No.	Name	Status
1	Proud Real Estate Co., Ltd.	Parent Company
2	Hua Hin Alpha 71 Co., Ltd.	Subsidiaries
3	Hua Hin Sky Living Co., Ltd.	Subsidiaries
4	Proud Horseshoe Co., Ltd.	Subsidiaries
5	Convent Beta Co., Ltd.	Subsidiaries
6	Prompt Solution Management Co., Ltd.	Subsidiaries
7	The Estate 345 Co., Ltd.	Subsidiaries
8	Khu Khot Station Alliance Co., Ltd.	Subsidiaries
9	Phraram 9 Alliance Co., Ltd.	Subsidiaries

However, other businesses in which the Company has investments, both directly and indirectly, amounting to less than 50%, are not included in this report.

The Content of the Report

In 2023, the Company identified pivotal sustainability concerns through the application of guidelines for assessing materiality and disclosing information in accordance with the Global Reporting Initiative (GRI) Standards 2021 framework. In addition, a Double Materiality and Multi-Stakeholder Approach were implemented to provide a comprehensive overview of the impacts resulting from business operations affecting stakeholders, society, and the environment (outward impact), as well as the influence of external factors, encompassing both financial and non-financial aspects, on the business and organization (inward impact).

The Company has identified both positive and negative impacts on the economy, society, environment, and stakeholders, as well as potential human rights implications arising from its operations. These impacts are interconnected throughout the entire business value chain, encompassing both current and potential future effects. Furthermore, the identification and assessment of these impacts are conducted by the Company's board of directors, who establish goals, strategies, policies, and operational guidelines. Oversight and sustainable development are ensured by a committee of top management representatives from various departments across the entire business value chain. This committee is tasked with setting and implementing goals, strategies, policies, and operational guidelines to achieve optimal outcomes for the organization, society, environment, and stakeholders.

Accordingly, the Company has included significant data from every group of stakeholders in the evaluation and development of key sustainability issues for the organization. Consequently, 10 key issues are identified with 2 categorized levels of importance categorized as high and very high. Assessing the importance level, the Company has secured approval from senior management, the Company's Board of Directors, employees at all levels, as well as relevant stakeholders.

In conclusion, the Company has a strong intention in becoming a low-carbon organization in response to the urgent global warming situation and the necessity for collaborative efforts. At present, the Company is in the process of studying and preparing to address these issues. Clear action plans are being developed to manage greenhouse gas emissions within the organization by 2024. However, throughout its business operations, the Company has cultivated a culture that prioritizes sustainability, employing the principles of ESG (Environment, Social, and Governance).

The Principles and Standards of Reporting

This report is established in accordance with the guidelines for disclosing information according to the Global Reporting Initiative (GRI) Standards 2021 under the 'In Accordance With' model. The reporting guidelines used in the report are as follows:

Accuracy	Report accurate and sufficiently detailed information essential for assessing the Company's impacts.
Balance	Report balanced information and illustrate both positive and negative impacts of the Company with balance and fairness.
Clarity	Demonstrate clear, accessible, and easily understandable information.
Comparison	Record, collect, and report data on a regular basis to analyze changes occurring over time in the impacts of the Company's operations and be able to conduct impact analysis.
Completeness	Provide sufficient information to assess the impact of the organization over the reporting period.
Sustainability Context	Report information on impacts within a context related to sustainability.
Punctuality	Report information according to regular deadlines and ensure prompt availability to users for decision-making purposes.
Verifiability	Record, collect, and analyze data in a manner that allows for the verification of data quality.

Reporting Certification

The content and key information in this report have been reviewed and verified by the Corporate Governance and Sustainability Committee and the senior management of each department, including those in subsidiary companies. The reported content is ensured to be accurate, complete, and balanced, aligning with the key sustainability issues and meeting the needs of all stakeholders.

Accessibility of the Report

This report is only available in digital format and can be accessed on the Company's website at <https://www.proudrealestate.co.th/>



<https://www.proudrealestate.co.th/>



Contact Channel

For additional information, questions, or suggestions, please contact:

Secretary and legal department
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Ploenchit Road, Lumphini, Pathum Wan, Bangkok 10330
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Message from the Board of Directors

At Proud Real Estate Public Company Limited, we firmly believe in harmonizing residential development with the progressive upliftment of community well-being and environmental stewardship. This philosophy, inherited from our founders, resonates deeply within our corporate ethos, guiding our leadership, engaging our employees, and aligning with the expectations of our stakeholders towards fostering a sustainable future.

Our commitment to this ideal has catalyzed a plethora of initiatives that not only enhance the living standards within our developments but also ensure that our growth trajectory is seamlessly integrated with robust governance, social responsibility, and environmental preservation. Our adherence to stringent legal and regulatory frameworks underpins our operational integrity and sets the foundation for responsible engagement with our diverse stakeholders.

In our pursuit of sustainability, Proud Real Estate has instituted comprehensive strategies that encompass both our internal operations and our external engagements. These include but are not limited to, investing in our employees' growth and well-being, innovating in our residential offerings and services, delivering exceptional customer experiences, and initiating community and societal enrichment activities. These endeavors reflect our dedication to making a lasting positive impact, thereby reinforcing our brand's commitment to 'More Than Just Living'.

Moreover, our proactive approach to energy management exemplifies our commitment to environmental conservation and our aspiration for continual improvement. It aligns with our ambitious goal to achieve net-zero greenhouse gas emissions by 2050, underscoring our long-term vision for sustainability.

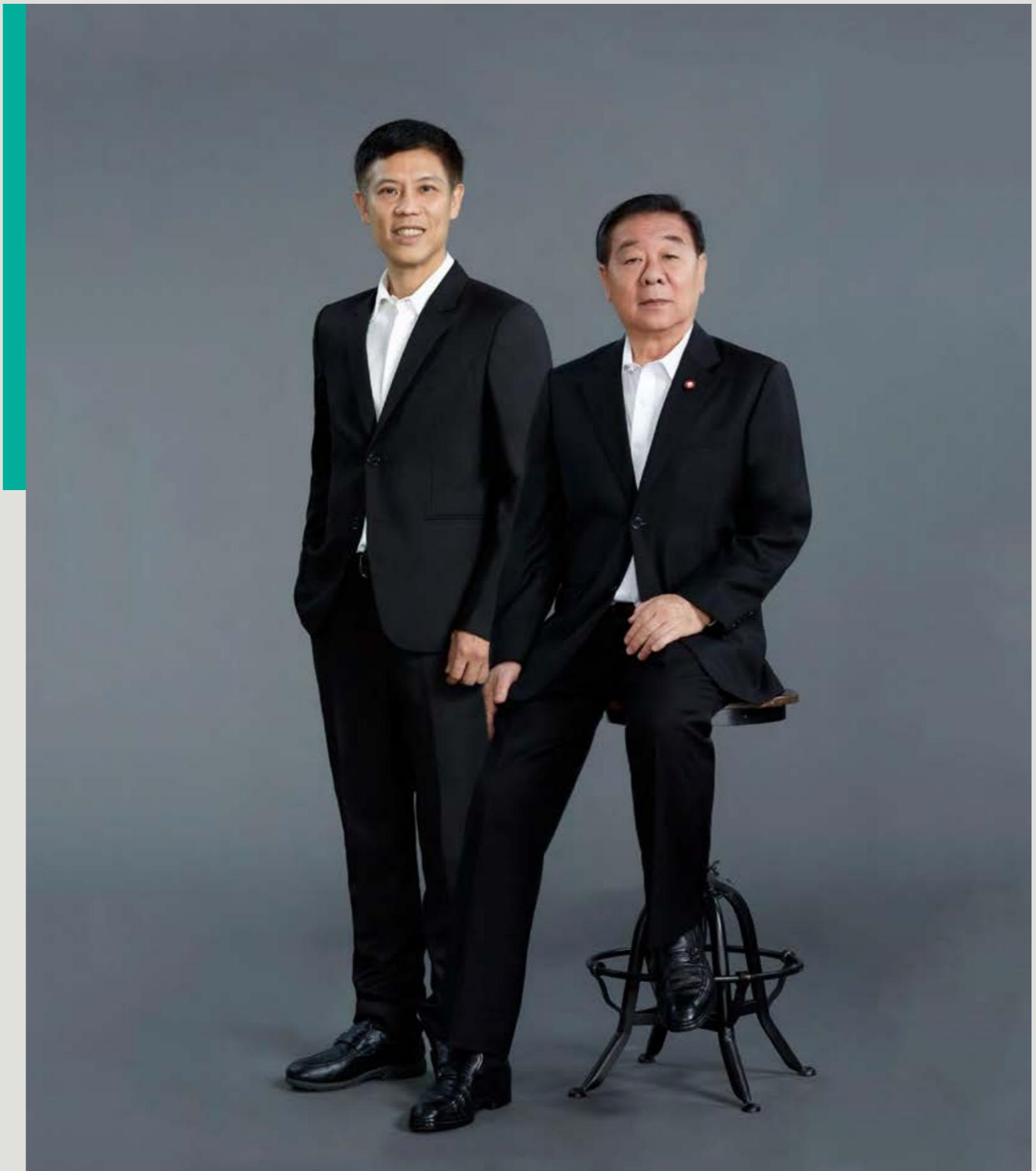
As we unveil our first sustainability report in 2023, we are proud to share the concrete outcomes of our efforts, framed by clear and strategic goals. This report not only highlights our contributions towards sustainable development but also demonstrates our alignment with the Sustainable Development Goals (SDGs) set by the United Nations. It underscores the significant responsibility we embrace in driving sustainable progress for the benefit of future generations and the overall enhancement of life quality for all.



(Mr. Anuwat Maytheewibulwut)
Chairman



(Mr. Pumipat Sinacharoen)
Chief Executive Officer



Awards and Outstanding Achievements

Corporate Governance Category

Annual General Meeting Checklist (AGM Checklist) by Thai Investors Association

Corporate Governance Report Checklist by Thai Institute of Directors (IOD)

2022	2023	2022	2023
85	95	83	70



Design Category

2022 The Company received an award at the 17th "Property Guru Thailand Property Award" of the project "VEHHA" in the category of Development Awards, Best Condo Development (Hua Hin).

2020 The Company received awards at the "Dot Property Thailand Award 2020" event with the Best Luxury Condominium Hua Hin Award and the Best Branded Residence Hua Hin Award for "InterContinental Residences Hua Hin."

Proud Real Estate Public Company Limited received awards at the "Property Guru Thailand Property Award" event for the project "InterContinental Residences Hua Hin" as follows:

1. Best Luxury Condo Development (Hua Hin) and Best Branded Residence in the DEVELOPMENT AWARDS category
2. Best Condo Landscape Architectural Design in the DESIGN AWARDS category, and Best Condo Development (Thailand) in the BEST OF THAILAND AWARDS category





PART 1

About PROUD

The location of the projects of Proud Real Estate Public Company Limited and its subsidiaries

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Proud Real Estate Public Company Limited and its subsidiary companies

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Stakeholders in the Business Value Chain

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About PROUD

“More Than Just Living” is the philosophy of Proud Real Estate Public Company Limited that adheres to its business operations. This philosophy aims not only to deliver excellent products and services, generate profits, and flourish the organization, but also to prioritize continuous, creative, and sustainable development for Environment Social Governance (ESG).



Project
InterContinental
Residences
Hua Hin

Location
Petchakasem Road,
Tambon Hua Hin, Hua Hin
District, Prachub Khirikhan



Project
VEHHA Hua Hin

Location
Petchakasem Road, Tambon
Nong Kae, Hua Hin District,
Prachub Khirikhan



Project
ROMM Convent

Location
Convent Road, Silom
Subdistrict, Bang Rak
District, Bangkok



Project
VI Ari

Location
Ari Soi 3, Phaholyothin,
Sam Sen Nai, Subdistrict,
Phayathai District, Bangkok



Project
Nue Cross
Khu Khot Station

Location
Lam Luk Ka Road, Tambon
Lam Luk Ka, Lam Luk Ka
District, Pathum Thani



Project
Nue District R9

Location
Rama 9 road, Huay Kwang
Subdistrict, Huay Kwang
District, Bangkok

Proud Real Estate Public Company Limited and its subsidiary companies

The Company's Products

Detached house

Condominium

Real Estates Development Business for Sale

Project	Location	Project Type	Ownership	Area (Rai)	Unit Numbers	Project Value (Million Baht)	Construction Duration	Sales Progress (Percentage of Project Value)
Land development projects completed								
InterContinental Residences Hua Hin	Prachuap Kiri Khan	Condominium	Hua Hin Alpha 71 Company Limited	7-2-48.8	238	3,840	Quarter 3/2020 - Quarter 2/2023	96%
VEHHA Hua Hin	Prachuap Kiri Khan	Condominium	Hua Hin Sky Living Company Limited	5-1-9.05	364	2,290	Quarter 1/2023 - Quarter 4/2025	44%
VI Ari	Soi Ari, Phaya Thai	Detached house	Proud Horseshoe Company Limited	1-0-2.2	6	491	Quarter 3/2022 - Quarter 1/2025	0%
ROMM Convent	Soi Convent, Bang Rak	Condominium	Convent Beta Company Limited	1-2-40.7	180	4,150	Quarter 2/2023 - Quarter 4/2026	40%
Nue Cross Khu Khot Station	Khu Khot Station, Lam Luk Ka	Condominium	Khu Khot Station Alliance Co., Ltd.	11-1-90	1,202	2,115	Quarter 3/2023 - Quarter 4/2024	100%
Nue District R9	Phra Ram 9, Huai Khwang	Condominium	Phraram 9 Alliance Co., Ltd.	6-0-90	1,442	6,617	Quarter 2/2023 - Quarter 4/2025	94%
Land Awaiting Development Projects								
345 Residence	Pak Kret, Nonthaburi	Detached house	The Estate 345 Co., Ltd.	79-1-82	175	3,700	Quarter 2/2024 - Until 2027	Project is under developments



InterContinental Residences Hua Hin

The Company has developed the first luxury residential project in Thailand managed by the world-renowned hotel group "IHG." This project is situated on 7 Rai 2 Ngan 48.8 Square Wah by the beach in the heart of Hua Hin on Petchakasem Road, between Soi Hua Hin 71 (opposite Market Village shopping center). It is constructed as a low-rise condominium comprising one 7-story building and eight 4-story buildings, totaling 238 units.

The Company uses the InterContinental brand for the project "InterContinental Residences Hua Hin," with the objective of pleasing high-end customers by delivering an exceptional living experience with a full range of hotel-like services and facilities under the international standards of InterContinental.

As the first residential project in Thailand under the globally recognized InterContinental Hotels and Resorts brand, which is an exclusive brand with only a few properties worldwide, InterContinental Residences Hua Hin serves as a model for residential development under the concept of 'More Than Just Living.' The project brings together the best components to create a unique living experience with exceptional services and privacy. The interior design blends modernity and the colonial architectural style of Colonia, while the building's location offers sea views. Additionally, the units feature private swimming pools and other amenities.

The InterContinental Residences Hua Hin project has several key highlights:

1. The InterContinental Residences Hua Hin is the first and only luxury residential project in Thailand under the InterContinental brand, situated on prime real estate in Hua Hin. This location is renowned for commanding high prices in the New High category, attributed to its position on the last beachfront parcel in Hua Hin.
2. The InterContinental Hotel Group (IHG) has partnered with the Company, which allows the project to offer various services. These services include a Concierge counter in the lobby, a baggage storage room with porter service, a golf cart shuttle service within the project area, and other amenities such as the Beach Pavilion, which can serve as an event venue with catering services available from the hotel.
3. The project promotes family bonding through spacious accommodations and common areas designed to encourage shared activities such as chess, labyrinths, and more.
4. The project features green areas and public spaces covering approximately 4 Rai, with 70% or around 7,000 square meters dedicated to a vast garden with a secluded beach and communal facilities. These amenities include 7 swimming pools designed for children, families, the elderly, and those seeking exercise, along with a beach pool, hidden gym, and other facilities.

5. The project offers special privileges, including access to services from 5,900 InterContinental Hotel Group hotels worldwide and membership in the "Proud Privileges" program from Proud Group and its partners. Additionally, residents have access to the 111 Social Club, a Colonial-style beachfront café located adjacent to the InterContinental Residences Hua Hin project.
6. The units are approximately 6 meters wide, with full-height glass doors, which make up about 80% of the project, and offer sea views. For penthouse units, the front is approximately 9 meters wide, which allows for a 270-degree sea view.
7. The project provides global standard services under the InterContinental brand, available 7 days a week and 24 hours a day. Residents will benefit from hotel-standard services such as Butler service, Concierge service, preparation of special meals delivered directly to the room, chef service for social events, housekeeping, laundry and bed linen service, residence repairs, free internet service in common areas, as well as shuttle service to nearby important locations.
8. The 9 buildings are divided into 7 groups to cater to diverse needs and consist of a 7-story high-rise building and 8 4-story buildings. Each unit is fully furnished according to InterContinental standards.
9. The balcony is nearly 10 square meters wide and includes a day bed to provide the best possible sea view.



HUA HIN

Vehha Hua Hin

The project is situated in a prime location, with the most popular places in Hua Hin accessible within a 10-minute walk. It is regarded as a landmark in the heart of Hua Hin, surrounded by tourist attractions, lifestyle venues, and fully equipped amenities. The project is in close proximity to Cicada Market and Tamarind Market - Hua Hin's renowned night markets, as well as the Bluport shopping mall. Furthermore, transportation is convenient and easily accessible, with future transportation projects set to further enhance accessibility for people of all lifestyles.

The project's concept, "Happiness Happens," includes the Family Zone, Relax Zone, and Retreat Zone, totaling nearly 2 Rai (2,647 sq.m.) of common area spread across floors above the 10th floor. This concept caters to various lifestyles, aligning with the philosophy of "More Than Just Living." The project combines relaxation with resort-level services, including offerings from the world-class hotel chain, Holiday Inn Vana Nava Hua Hin, an IHG hotel. Additionally, it is the first in Thailand to provide free access to Vana Nava Water Park for 5 years.

The highlight of the Veha project's design is that every square inch of the accommodation rooms offers a sea view, ensuring privacy and exclusivity. With only 364 units available, there are seven different room layouts to choose from, including 1 Bedroom, 1 Bedroom Plus, 1 Bedroom Plus Corner, 2 Bedroom, 2 Bedroom Jacuzzi, Penthouse, and Penthouse Duplex, ranging from 28 to 349 square meters. The room functions are designed to accommodate various lifestyles across every generation. Additionally, the project utilizes high-quality materials that meet the standards suitable for a perfect vacation destination.

VI Ari

The project is a modern-style detached house located in Soi Ari 3. It boasts unique characteristics, including the design of the roof with long eaves and a slight slope. The roof structure features horizontal and vertical sunshade panels, adding to the building's overall design aesthetics. The proportions of the windows complement the house's proportions, while the large green space design seamlessly integrates with the living spaces on each floor, creating a comfortable living atmosphere.



ROMM Convent

ROMM Convent is a luxury wellness residence project that emphasizes health and harmonious living with nature, providing a living experience akin to "residing in the heart of the city." The project is a residential sanctuary where happiness thrives, and life flourishes, all while prioritizing quality and sustainability.

The project is located in Soi Convent, opposite BNH Hospital, just 500 meters from Sala Daeng BTS station near Lumpini Park. The journey takes a mere 5 minutes by car. The project is surrounded by a public park, which offers opportunities for leisurely strolls and exercise. Additionally, its strategic location within the Central Business District (CBD) ensures easy access to both work and other key destinations, amid the mega-project area of One Bangkok and Dusit Central Park. The completion of these projects in 2026 is expected to significantly enhance the growth and development of the area.

ROMM Convent is a high-rise condominium project, which comprises 32 floors and 180 units, located on a total area of 1-2-40.7 Rai. The project offers a variety of room types, up to 11 layouts, which emphasize spacious living areas while maintaining privacy with a maximum of 8 units per floor.

The project has other significant highlights, including:

1. Live Architecture is designed to connect nature with residents through green spaces. The green tunnel connects Soi Convent and Lumpini Park, which allows residents to experience relaxation every day. The design prioritizes natural ventilation and air circulation, with full height glass windows providing ample natural light and panoramic views. Moreover, the spacious living areas create a homely ambiance.
2. The Wellness Solution alleviates family health concerns by offering comprehensive care by A-List experts with 24-hour access to health care at the ROMM project, BNH Hospital, and affiliated hospitals. This includes access to the BeeDee by BDMS app, which provides exclusive privileges and discounts.

Proud Health butlers are more than just concierges, but also provide basic health advice and emergency assistance, instantly connecting residents to specialists.

Additionally, residents instantly become VVIP, or Loyal Heritage Members of BNH, which receives exceptional care and up to 20% discounts.

3. Life: A Perfect Living Space for Everyone

The central area spans nearly 2,000 square meters and hosts over 15 facilities, making it exceptionally spacious compared to the mere 180 units. These facilities include a music room, FitLab Café, Sky Lounge, Family Onsen, and a 25-meter-long swimming pool complete with a hydrotherapy pool.

The facilities on the first and second floors include a Sensory Garden, FitLab Café and Co-working Space, Wellness Lounge, and a Teens Club (Music and Study Room).

The Sky Retreat, a three-story floating central villa, and the rooftop level consist of a swimming pool, kids pool, jacuzzi, gym, wellness studio, meditation pod, onsen and treatment room, sky lounge, sensory playground, rooftop garden, and BBQ yard, enhanced with cutting-edge technology for full relaxation and health care, such as hydrotherapy, aquasymphony, Pilates reformer, and technogym.



NUE CROSS KHU KHOT STATION

NUE CROSS KHU KHOT STATION

The project comprises 6 low-rise buildings, including Towers A and B, each standing 7 stories tall, and Towers C, D, E, and F, each 8 stories high. It is fully equipped with facilities spanning 4 zones, including an interactive fitness space, an exercise area adjacent to the swimming pool, and a vibrant social zone. Additionally, the project offers a hangout area with diverse options such as glamping in the natural surroundings of the glamping yard, a pool party, or a floating cinema for movie nights. Catering to various lifestyles, the project is conveniently located near a community mall and the Khu Khot station.

NUE DISTRICT R9 PHRA RAM 9

The high-rise condominium project consists of 2 buildings: Tower R with 33 floors and Tower 9 with 41 floors. The condominium units are spacious and fully furnished, with more than 8 zones of facilities, which includes a spacious lobby for relaxation, a Sky Fitness workout area, a cardio area, a weight training area, or a boxing ring with a panoramic view of the skyline. Moreover, the Indigo and Ivory Lounge offers a panoramic view of the city, a swimming pool, and a rooftop garden with city views. Consequently, the lifestyle can be fully experienced in all modes, with just 180 meters to Central Rama 9 and Phra Ram 9 station.

Property Management Services Business

PROMPT Solution Management Co., Ltd.

The company provides real estate assistance, which covers a wide range of tasks and has been collaborating with many business partners to elevate international service standards. One such partner is IHG® Hotels & Resorts, which comprises more than 5,600 hotels and resorts. PROMPT has implemented service models of those hotels at the InterContinental Residences Hua Hin project.

Main service types include:

1. Financial Management Services

- Allocating budgets appropriately
- Collecting and disbursing various expenses such as water, electricity, and common area fees
- Preparing financial reports

2. Maintenance and Care Management Services

- Maintaining cleanliness of common areas
- Maintaining and repairing facilities and amenities

3. Security Management Services

- Managing security systems within the project

4. Legal Management Services

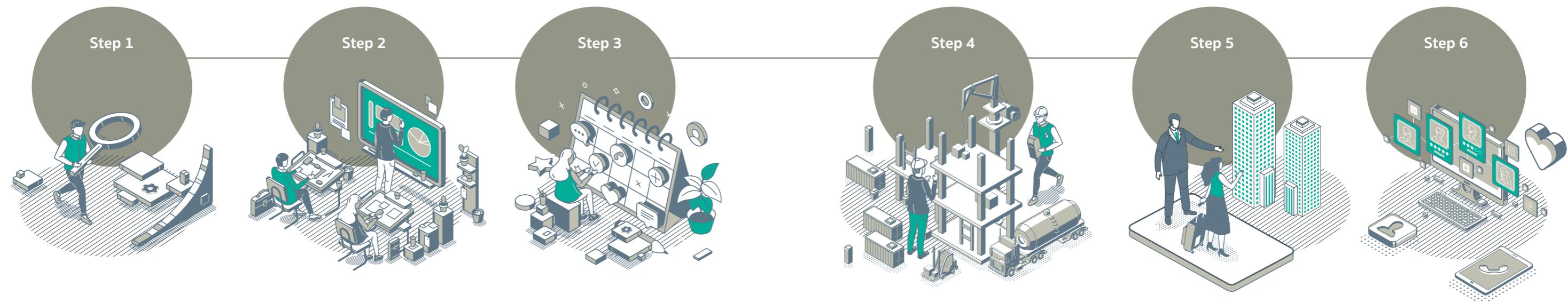
- Ensuring compliance with residential regulations to foster a good living environment
- Drafting various contracts and handling legal proceedings when necessary

5. Additional Services

- Managing resident engagement activities
- Addressing various issues that arise, such as tenant complaints
- Cleaning and maintaining the interior of the property
- Providing laundry services

Stakeholders in the Business Value Chain

Business Value Chain



Acquisition of Land with project development potential

Description

- 1.1 Exploring the feasibility of developing the project
- 1.2 Determining the target customer groups and conducting competitor analysis
- 1.3 Assessing legal risks and pertinent regulatory issues

Project design and development preparation

Description

- 2.1 Conceptualizing and developing project designs for various objectives
- 2.2 Selecting materials for the project and acquiring required permits from relevant authorities
- 2.3 Securing funding for project development

Sales and marketing activities planning

Description

- 3.1 Formulating strategy and planning sales and marketing activities
- 3.2 Designing and constructing sample houses or rooms

Project construction

Description

- 4.1 Selecting contractors and consultants for the project
- 4.2 Constructing common utilities and residential units
- 4.3 Managing project costs
- 4.4 Controlling and inspecting construction quality

Delivering houses/units to customers

Description

- 5.1 Assisting Customers with Loan Applications and Property Transfer Documents
- 5.2 Inspecting Houses/Units and Addressing Customer Expectations

Post-Transfer Services

Description

- 6.1 Managing customer relationships
- 6.2 Providing warranty services and facilitating repairs for houses/units, as well as offering after-sales services
- 6.3 Establishing a juristic person for managing residential buildings

Stakeholders in Business Value Chain

1. Investors and shareholders
2. Board of Directors, executives, and employees
3. Customers, tenants, and residents
4. Communities and society
5. Government agencies
6. Business competitors

Stakeholders in Business Value Chain

1. Investors and shareholders
2. Board of Directors, executives, and employees
3. Customers, tenants, and residents
4. Communities and society
5. Banks / Creditors
6. Government agencies
7. Business competitors

Stakeholders in Business Value Chain

1. Board of Directors, executives, and employees
2. Customers, tenants, and residents
3. Business partners and allies
4. Banks/creditors
5. Business competitors

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Stakeholders in Business Value Chain

1. Board of Directors, executives, and employees
2. Customers, tenants, and residents
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Analysis of Stakeholders in the Business Value Chain

Engaging with stakeholders, both internally and externally, is considered a crucial component in setting the direction for business operations to ensure sustainable development. The company has analyzed its operations to identify the groups of stakeholders associated with its business. It has summarized the expectations of these stakeholders as follows:



Employees

Channels and Methods	Interests and Expectations	Responses
1. Annual management meeting with Employees 2. Quarterly welfare committee meeting 3. Online Media and Email Communication 4. Complaint and feedback channels directly to the CEO for suggestions or complaints from employees 5. Annual employee engagement survey	<ul style="list-style-type: none"> Ethical performance evaluation Stability and progress in job roles Positive work environment and atmosphere Skills, knowledge, and abilities development Workplace safety 	<ul style="list-style-type: none"> Improve appropriate compensation and benefits Enhance the efficiency and transparency of performance evaluations Encourage internal staff to grow in various job roles within the company group Provide adequate work equipment and create a safe and enjoyable work environment Develop training courses suitable for each position Assess occupational health and safety risks for various job positions and implement corrective measures to prevent such risks



Customers

Channels and Methods	Interests and Expectations	Responses
1. Annual customer satisfaction survey 2. Customer relationship/marketing activities 3. Staff meeting and direct customer meeting 4. Online communication/email 5. Feedback/complaint channels	<ul style="list-style-type: none"> Quality post-sales service Customer relationship management Customer confidentiality 	<ul style="list-style-type: none"> Elevate the competence of the post-sales service team to provide comprehensive customer service in all aspects Organize activities that support customers, such as providing health training courses to improve their well-being. Improve communication channels and complaint management processes to efficiently address customer complaints Adhere to business ethics, company policies, and strict compliance with laws



Communities

Channels and Methods	Interests and Expectations	Responses
1. Community relations activities – annual projects/activities 2. Online communication/email 3. Feedback and complaint channels	<ul style="list-style-type: none"> Environmental compliance Community and social development Safety 	<ul style="list-style-type: none"> Strictly adhere to environmental laws, regulations, and practices Foster development and support of projects aimed at improving the quality of life and economy of local communities and society Establish collaborative networks with other stakeholders to jointly develop local communities and society as a whole Provide convenient communication channels and efficiently addressing complaints from the community Establish project safety measures



Business partners and contractors

Channels and Methods	Interests and Expectations	Responses
1. Collaborative meeting with partners and contractors 2. Partners and contractors' evaluation and assessment 3. Online communication/email 4. Feedback and complaint channels	<ul style="list-style-type: none"> Long-term business collaboration Business fairness and equitability Transparent and fair procurement processes 	<ul style="list-style-type: none"> Communicate operational results, future business directions, and company expectations to partners for joint business planning and mutual future growth support Ensure compliance with relevant laws, regulations, procurement policies, anti-corruption policies, and human rights protection Conduct transparent and fair procurement practices with all parties



Business partners

Channels and Methods	Interests and Expectations	Responses
1. Board meeting in subsidiary companies and joint ventures 2. Joint meeting with business partners/investors 3. Online communication/email 4. Feedback and complaint channels	<ul style="list-style-type: none"> Business conduct with honesty, integrity, and transparency Business confidentiality 	<ul style="list-style-type: none"> Adhere to business ethics Establish transparent and fair partnership agreements Maintain investor information confidentiality



Government agencies

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Meeting held jointly on various agendas Participation in various projects organized by the government Involvement in different working committees of government agencies Business visits Online communication/email Disclosure of information or reports as required 	<ul style="list-style-type: none"> Compliance with laws and regulations Social and environmental impacts resulting from company operations management Good corporate governance Company operations disclosure 	<ul style="list-style-type: none"> Ensure strict compliance with laws, regulations, and requirements Regularly monitor and assess social and environmental impacts, with timely reporting to government agencies Conduct business with transparency and adhering to good corporate governance policies Ensure compliance with the established policies and regulations Prepare transparent reports on financial performance and sustainability and to disclose through various channels including submission to government agencies and public



Creditors

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Analyst meeting Creditors meeting Online communication/email 	<ul style="list-style-type: none"> Compliance with loan and bond agreements Effective risk management Financial stability Timely debt repayment 	<ul style="list-style-type: none"> Strictly adhere to loan and bond agreement terms Conduct accurate and comprehensive financial disclosures Address comprehensive risk management covering economic, social, environmental, and human rights aspects Conduct transparent communication of business operations, performance, and financial status Conduct timely debt repayment according to schedule for each installment



Investors

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Annual shareholders' meeting Shareholders' meetings in subsidiaries and joint ventures Presentations for investment purposes/ Opportunity Day as per SET regulations Investor briefings Online communication/email Feedback and complaint channels 	<ul style="list-style-type: none"> Profitable operational outcomes Business growth Effective corporate governance Efficient risk management 	<ul style="list-style-type: none"> Establish continuous development of new revenue-generating business Drive innovation and technology advancement in product/service development and operational processes to enhance efficiency and management Conduct transparent communication of business operations, performance outcomes, and financial status Strictly adhere to laws and regulations Operate with transparency, adhere to ethical principles, and combat corporate corruption Align risk management practices with effective standards and increased productivity Conduct comprehensive risk management covering economic, social, environmental, and human rights aspects



Business competitors

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Meeting and joint discussion with organizations related to the same industry group. Collaborative work as requested by the government sector 	<ul style="list-style-type: none"> Fair and legal competition 	<ul style="list-style-type: none"> Operate the business with integrity Collaborate in activities beneficial to investors, entrepreneurs, or consumers



PART **2**

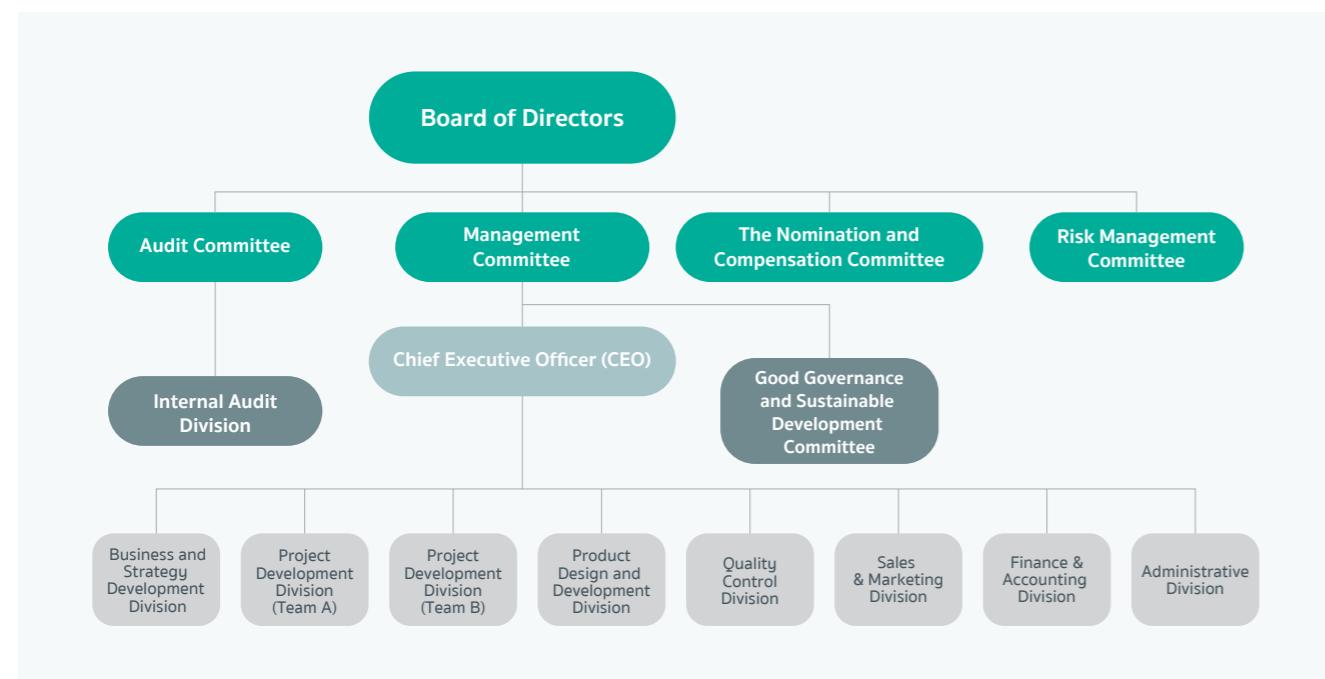
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PROUD's Sustainable Development Framework

The Company places great emphasis on active engagement in its sustainability management by all members in all units of the organization. Accordingly, the Company requires the board of directors, executives, and employees at all levels to participate in driving development in economic, social, and environmental dimensions, and building a strong corporate culture. This involvement can contribute to a practical establishment of sustainability. The Company strongly believes that everyone in the organization can help achieve sustainable development through good corporate governance, effective management with a transparent and accountable system. This would drive all members of the organization to always have conscience and awareness of their responsibility for potential impacts on all associated stakeholders. This will lead to sustainable practices in business operations, society, and the environment in the future.

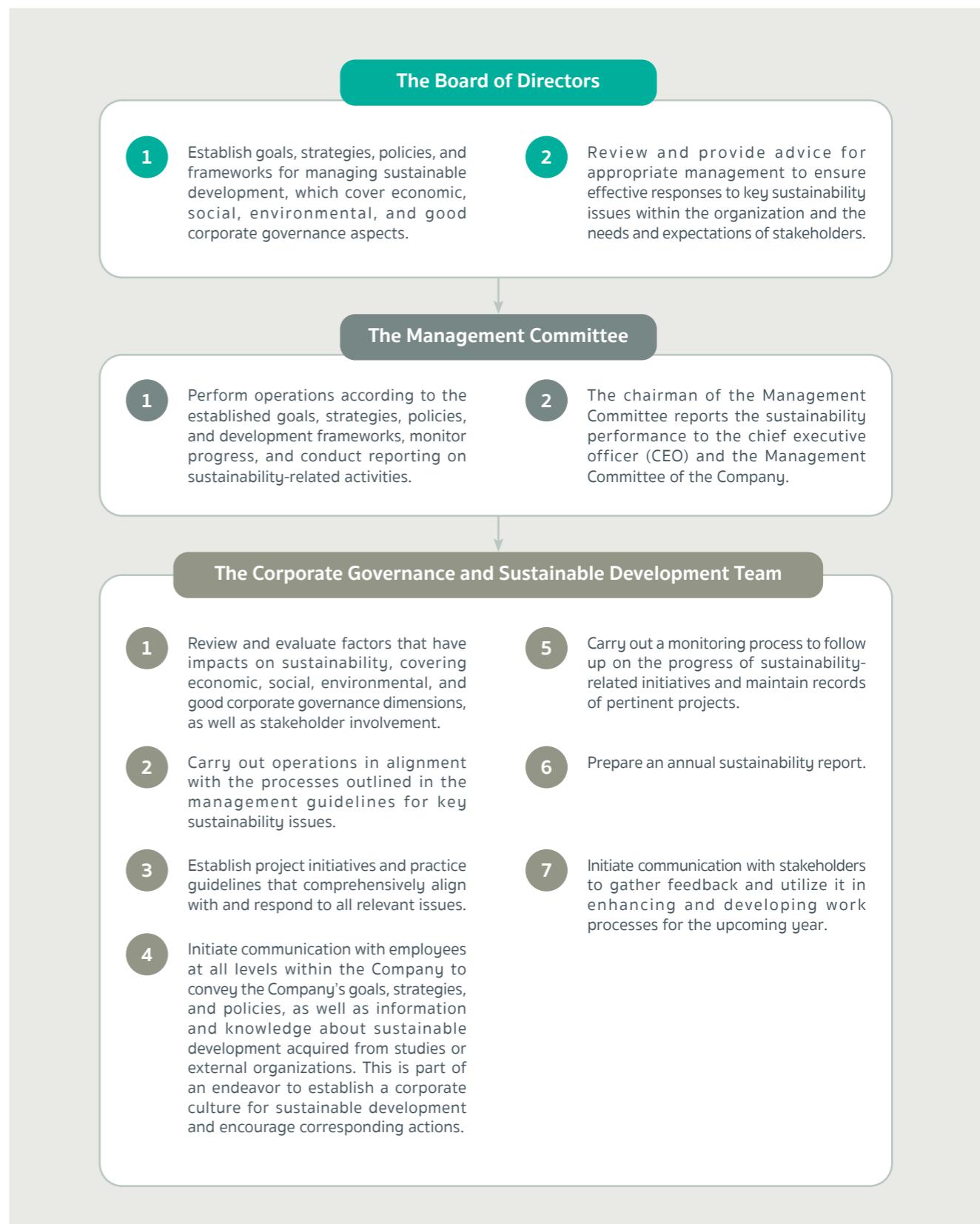
The Company's board of directors has the responsibility of establishing the goals, strategies, policies, and guidelines for its business operations. The Management Committee and the Corporate Governance and Sustainable Development team, composed of top executives from each department (from manager level and up), work as the driving force in implementing and responding to the stated goals, strategies, policies, and operational guidelines. At the 7th/2023 board meeting on November 13, 2023, subcommittees were divided into four groups to assist in scrutinizing important matters. These four groups consist of the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Executive Committee. Additionally, the Corporate Governance and Sustainable Development team has been appointed to oversee the company's good governance and sustainable development, chaired by Mr. Pasu Liptapanlop, with Mr. Pumipat Sinacharoen, a board representative, as a member.



The Corporate Governance and Sustainable Development team comprises representatives from all internal departments of the Company and its subsidiaries. Working under the supervision and monitoring of the committee chairman, the team collaborates to drive sustainable development within the Company.

The team has undertaken comprehensive efforts, addressing economic, social, environmental, and good corporate governance aspects. The company has established a monitoring and evaluation process to assess risks and changes arising from both internal and external sources. This process also includes global sustainability trends and directions that may impact the Company and its stakeholders positively or negatively. Furthermore, it considers the requirements and expectations of all stakeholder groups to establish goals, strategies, policies, and guidelines for business operations, aiming to enhance the Company's ability to effectively address various situations.

Roles and Responsibilities of the Corporate Governance and Sustainable Development Team



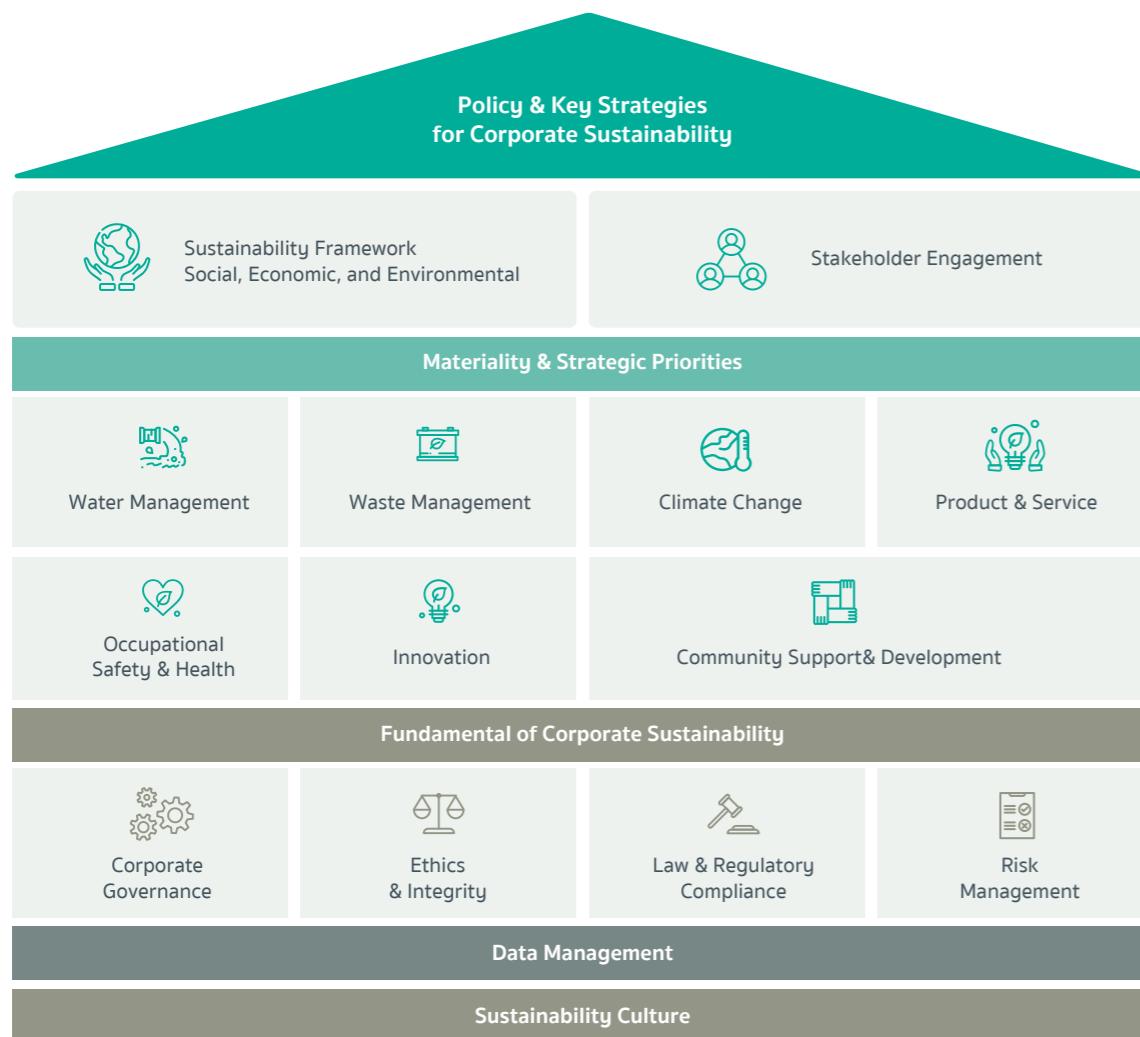
Sustainability Management Flow

SUSTAINABLE DEVELOPMENT GOALS

Contributions to the United Nations Sustainable Development Goals (UN SDGs)



The Company is committed to enhancing business growth while maintaining a balance between business operations and the surrounding communities, ensuring the highest quality of coexistence based on social and environmental responsibility. The nature of the real estate development business requires substantial resources. Consequently, it may have direct and indirect impacts on the economy, society, and the environment. Therefore, the Company always adheres to operating its business under the "More Than Just Living" principle, which prioritizes all stakeholders. It focuses on creating shared value with stakeholders and fostering sustainable development together.



Corporate Sustainability Goal

"More Than Just Living" embodies the business philosophy of Proud Real Estate Public Company Limited. Going beyond profitability, the company is committed to not only delivering exceptional products and services but also placing an emphasis on creative and sustainable development. This approach covers all aspects of growth, including environmental, social and good governance aspects (ESG). To ensure long-term sustainability, the organization is dedicated to three core missions:

Profit

Business growth under strong corporate governance is crucial for PROUD, as it fosters transparency and fairness in management, which is the foundation of the organization. Additionally, the company has implemented policies aligned with sustainability principles to ensure that the products and services provided contribute to a way of life that goes beyond promoting health and quality of life for all stakeholders.

People

PROUD places importance on development and the promotion of equality, both in terms of knowledge and basic rights. The company has established a process for studying and understanding the needs of its stakeholders, business suppliers, as well as associated institutions and organizations, before initiating project development to achieve maximum sustainability.

Planet

An environmentally-friendly way of life is one of PROUD's intentions to establish and deliver to residents through interior design and the installation of equipment and technology that support clean energy, energy saving, waste reduction, and proper waste management. The company has expanded on these development methods and concepts and promoted a sustainable development mindset among staff members inside and outside the organization, including communities and society around the project areas.

In planning sustainability operations, it is essential to consider the importance and consistency with the United Nations Sustainable Development Goals (UNSDGs) and apply them to the organization's plans by analyzing the relevance of issues and the contexts of the areas where the real estate projects, condominiums, or workspaces are located. This aligns with the **"SDGs Localization" principle**.

Corporate Sustainability Strategy and Direction

Throughout the operations under the organization's sustainability strategy developed from PROUD Pillars, which consist of 'Sense of Hospitality,' 'Value of Home Being,' and 'Harmonious Living,' the company has set additional strategies to support sustainable operations and growth policies, consisting of following three steps:

1.  **Localization**
to understand and adapt to new diversities or contexts.
2.  **Innovation**
to create new solutions and initiatives
3.  **Collaboration**
to expand cooperation towards development

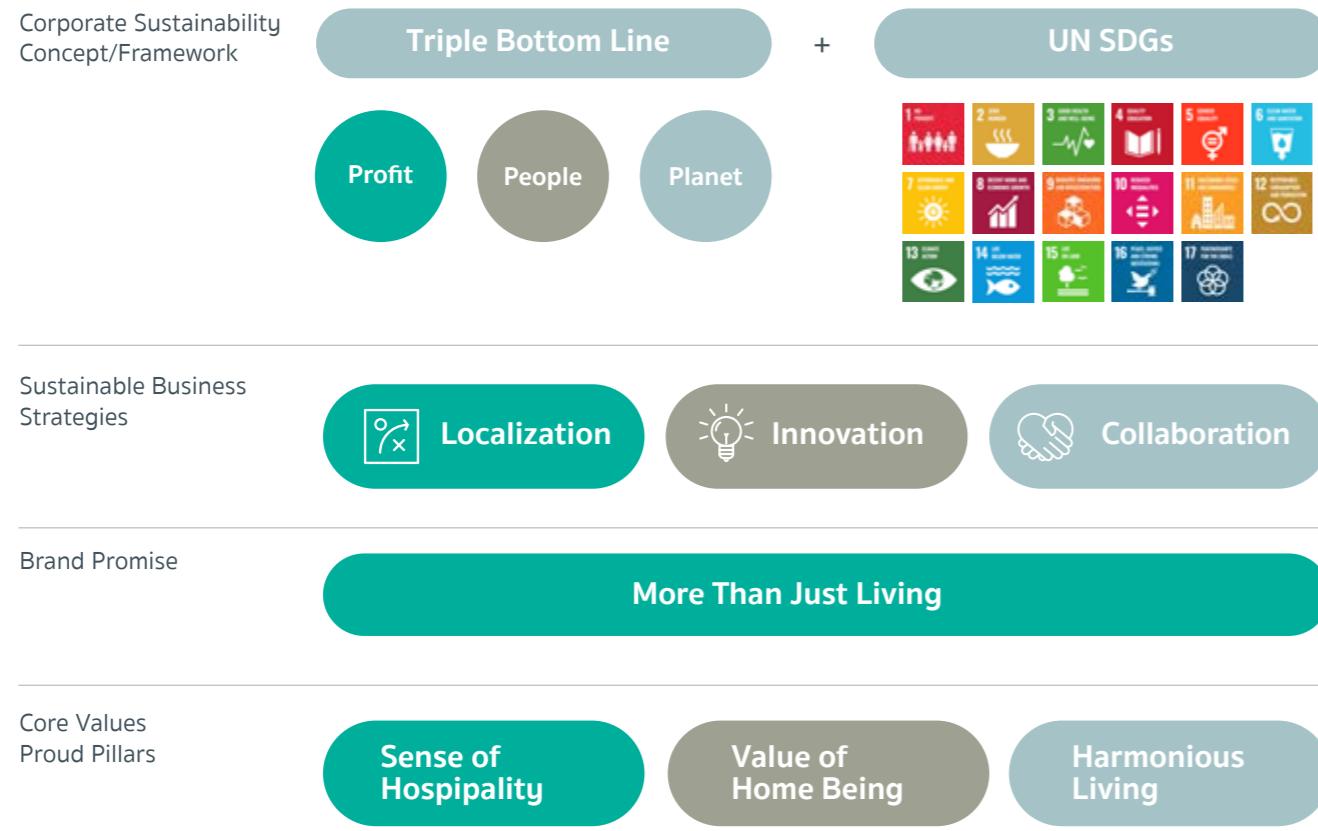
The Structure of the Corporate Governance and Sustainability Development Team

The Board of Directors of the Company is responsible for establishing goals, policies, operational guidelines, and metrics for the Corporate Governance and Sustainable Development team. The team's duties include formulating operational guidelines and collaborating with various relevant departments within the organization. Moreover, they oversee the processes of control, supervision, monitoring, and communication of operational outcomes to gather feedback and utilize it to enhance or develop in alignment with established policies.

Sustainability Framework

The Company has established a framework for sustainable management as part of an effort in building the corporate sustainability in economic, social, and environmental dimensions. The Company is committed to operating its business in accordance with social and environmental responsibility along with consideration of risk management. This will lead to a balance between business operations, society, and the environment. The outcome will contribute to sustainability and alignment with the Sustainable Development Goals (SDGs) of the United Nations, and respond to all groups of stakeholders.

Proud Sustainability Direction And Strategy Framework



Key Strategies for Sustainability

The Company has integrated sustainable development concepts into its business plan, leading to the plan's revision and positioning the Company as a leader in real estate development. This approach aims to meet stakeholders' needs while effectively addressing significant global changes and potential risks. Moreover, this strategy seeks to create opportunities and benefits for stakeholders, expand and develop the business, and simultaneously foster societal growth. By employing sustainable management of natural resources and the environment, development projects and surrounding communities can coexist harmoniously. To this end, the Company has outlined the following key strategies for sustainable business operations:



Adhere to goals, policies, and a sustainable management approach to cultivate high-quality, environmentally friendly projects.



Manage the impacts on stakeholders within the business value chain and create opportunities for all stakeholder groups.



Engage in sustainable management within the social dimension by fostering safe communities and societies, caring for natural resources and the environment, and generating benefits for both society and local communities.

Objective, Policy, and Framework for Sustainable Management

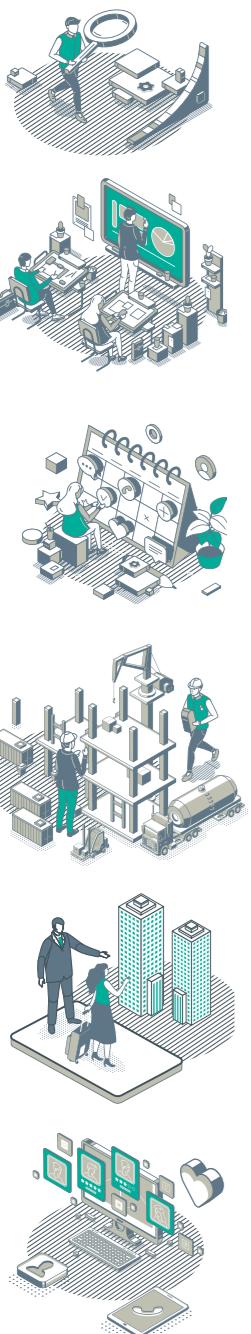
“More Than Just Living” is a commitment that the Company integrates into every aspect of its operations to deliver outstanding excellence. This concept covers every dimension of development throughout the business value chain, with a particular focus on environmental and social aspects. It reflects a new way of living that prioritizes genuine environmental and social responsibility. Furthermore, the Company is dedicated to a business approach that considers stakeholders' interests, demonstrates a high level of responsibility towards society and the environment, and adheres to good governance policies and ethical guidelines for the board, management, and employees. To support this commitment, the Company has established additional directions and policies for all departments, covering every dimension of sustainable development. The Company utilizes the ESG (Environmental, Social, and Governance) principles as a tool for consideration, which encompass all stakeholder groups, environmental protection, social responsibility, and good governance. Moreover, the Company has integrated the United Nations Sustainable Development Goals (UNSDGs) into its sustainable business strategy across all sectors and follows the guidelines for disclosing information in accordance with the Global Reporting Initiative (GRI) framework.

Corporate Objective	Approaches
To achieve carbon neutrality by the year 2040, the Company aims to reduce greenhouse gas emissions by 30% by the year 2030 compared to the base year of 2024 (in 2024, the Company will begin studying and collecting data), and achieve net-zero greenhouse gas emissions by the year 2050.	<ul style="list-style-type: none"> Establish policies and approaches for greenhouse gas emissions management to control and develop high-quality and environmentally friendly projects. Enhance competency of resilience to climate change, reduce greenhouse gas emissions, and increase carbon absorption.

The Impacts on Stakeholders In The Business Value Chain Management

1. Business Value Chain

The processes of a business operation, from the initial to final stages, place an importance on all groups of stakeholders. The processes are as follows:



- 1 Land acquisition: The Company ensures the land acquisition is with high potential for project development. This stage involves conducting feasibility studies, identifying target customer groups, analyzing competitors, assessing risks and key legal and regulatory issues.
- 2 Project Planning and Design: The stage involves conceptualizing and developing project designs to achieve designated objectives, selecting environmentally friendly materials, adhering to electricity conservation standards to promote long-term savings for residents, obtaining necessary permits from relevant authorities, and securing funds for project development.
- 3 Sales and marketing activity planning includes selecting sales tools and marketing media, designing, and constructing model houses or rooms.
- 4 Project construction begins with selecting and assessing a fair and transparent contractor, appointing construction management consultants for the project, constructing common utilities, constructing houses or condominiums, managing project costs, and controlling and inspecting construction work quality.
- 5 Delivering houses/condominiums to customers involves facilitating bank loan applications for customers, conducting property handover inspections, handling any necessary repairs, and managing property transfers.
- 6 Post-transfer ownership services involve managing customer relations, providing quality assurance for houses/condominiums, facilitating repairs upon customer request, and establishing a juristic person for the management of residential buildings.

Following the primary goal and commitment to operating business with environmental conservation, the Company strictly adheres to environmental regulations throughout every process. The processes include a project development approach that takes into account environmentally friendly lifestyle patterns, structural design, interior decoration, and the selection of energy-saving materials and equipment that reduce energy consumption and environmental pollution. Moreover, importance is placed on operating business in accordance with standards to minimize environmental impact through prevention and mitigation measures specified in the Environmental Impact Assessment (EIA) Report. Various activities also aim to raise awareness of environmental responsibility among customers, suppliers, and residents. Additionally, the Company promotes training through knowledge-sharing sessions to enhance understanding of environmental, social, and governance (ESG) practices, along with providing appropriate continuous implementation guidelines in all dimensions.

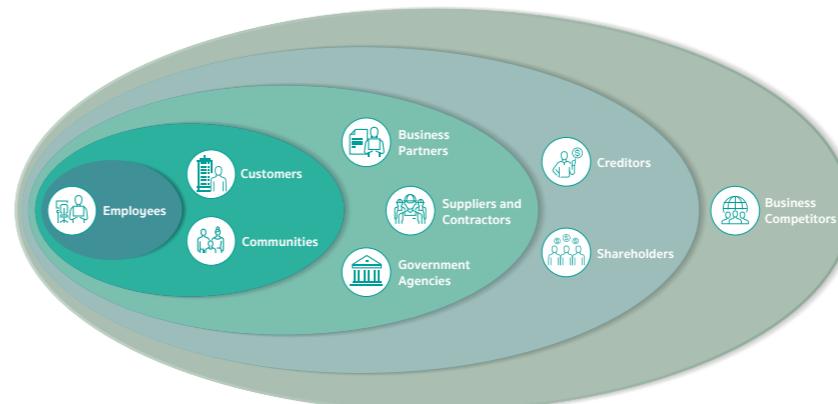
Objectives	Approach
<ul style="list-style-type: none"> • Develop and deliver products and services that promote the long-term economic growth of the Company and create positive impacts on society and the environment. • Achieve success in mitigating environmental impacts. 	<ul style="list-style-type: none"> • Establish clear operational policies to ensure efficient work processes while prioritizing the conservation of natural resources and the environment. • Foster a deep understanding of responsibilities and obligations towards society and the environment.

2. Stakeholders in the Business Value Chain

The Company prioritizes engagement with both internal and external stakeholders, which is considered a crucial component in determining the direction of sustainable business development. The Company has analyzed its operations to identify stakeholders involved in business activities and summarize their expectations. Moreover, the Company is aware of the impacts of its business operations and has identified and evaluated the positive and negative effects on the economy, society, and the environment, including potential human rights violations against stakeholder groups throughout the value chain. Consequently, the Company's ability to appropriately manage issues that significantly affect stakeholders is enhanced.

In 2023, the Company revised its definition of stakeholders in accordance with the new definition of the GRI Universal Standards 2021. According to the definition, stakeholders are individuals or groups who are impacted or may be impacted by the organization's operations. The Company categorized stakeholders in the value chain into 9 groups: employees, shareholders, customers, communities, suppliers and contractors, business partners, creditors, government agencies, and trade competitors. Stakeholders were further divided into two categories: 1) internal stakeholders, which consisted of employees, and 2) external stakeholders, which consisted of shareholders, customers, communities, suppliers and contractors, business partners, creditors, government agencies, and trade competitors. The Company prioritized stakeholders based on the level of impact they had on the Company, considering economic, social, environmental, and human rights factors, as well as the level of influence or impact that each stakeholder group has on the Company, ranked in descending order from the innermost circle.

Stakeholder Prioritization



The Company established a policy for stakeholder engagement and guidelines to foster systematic stakeholder involvement from all groups. The objectives of the policies and guidelines included assessing the impacts experienced or anticipated by each stakeholder group, covering both current and future impacts. Additionally, the policies aimed to address concerns and expectations through various channels and methods, with a review conducted at least once per year. The issues shall be appropriately managed to create balanced value for all stakeholders. In 2023, details of connections, relationship building, and response to stakeholder groups were as follows:


Employees

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Annual management meeting with Employees Quarterly welfare committee meeting Online Media and Email Communication Complaint and feedback channels directly to the CEO for suggestions or complaints from employees Annual employee engagement survey 	<ul style="list-style-type: none"> Ethical performance evaluation Stability and progress in job roles Positive work environment and atmosphere Skills, knowledge, and abilities development Workplace safety 	<ul style="list-style-type: none"> Improve appropriate compensation and benefits Enhance the efficiency and transparency of performance evaluations Encourage internal staff to grow in various job roles within the company group Provide adequate work equipment and create a safe and enjoyable work environment Develop training courses suitable for each position Assess occupational health and safety risks for various job positions and implement corrective measures to prevent such risks


Business partners and contractors

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Collaborative meeting with partners and contractors Partners and contractors' evaluation and assessment Online communication/email Feedback and complaint channels 	<ul style="list-style-type: none"> Long-term business collaboration Business fairness and equitability Transparent and fair procurement processes 	<ul style="list-style-type: none"> Communicate operational results, future business directions, and company expectations to partners for joint business planning and mutual future growth support Ensure compliance with relevant laws, regulations, procurement policies, anti-corruption policies, and human rights protection Conduct transparent and fair procurement practices with all parties


Customers

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Annual customer satisfaction survey Customer relationship/marketing activities Staff meeting and direct customer meeting Online communication/email Feedback/complaint channels 	<ul style="list-style-type: none"> Quality post-sales service Customer relationship management Customer confidentiality 	<ul style="list-style-type: none"> Elevate the competence of the post-sales service team to provide comprehensive customer service in all aspects Organize activities that support customers, such as providing health training courses to improve their well-being. Improve communication channels and complaint management processes to efficiently address customer complaints Adhere to business ethics, company policies, and strict compliance with laws


Business partners

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Board meeting in subsidiary companies and joint ventures Joint meeting with business partners/investors Online communication/email Feedback and complaint channels 	<ul style="list-style-type: none"> Business conduct with honesty, integrity, and transparency Business confidentiality 	<ul style="list-style-type: none"> Adhere to business ethics Establish transparent and fair partnership agreements Maintain investor information confidentiality


Communities

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Community relations activities – annual projects/activities Online communication/email Feedback and complaint channels 	<ul style="list-style-type: none"> Environmental compliance Community and social development Safety 	<ul style="list-style-type: none"> Strictly adhere to environmental laws, regulations, and practices Foster development and support of projects aimed at improving the quality of life and economy of local communities and society Establish collaborative networks with other stakeholders to jointly develop local communities and society as a whole Provide convenient communication channels and efficiently addressing complaints from the community Establish project safety measures


Government agencies

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Meeting held jointly on various agendas Participation in various projects organized by the government Involvement in different working committees of government agencies Business visits Online communication/email Disclosure of information or reports as required 	<ul style="list-style-type: none"> Compliance with laws and regulations Social and environmental impacts resulting from company operations management Good corporate governance Company operations disclosure 	<ul style="list-style-type: none"> Ensure strict compliance with laws, regulations, and requirements Regularly monitor and assess social and environmental impacts, with timely reporting to government agencies Conduct business with transparency and adhering to good corporate governance policies Ensure compliance with the established policies and regulations Prepare transparent reports on financial performance and sustainability and to disclose through various channels including submission to government agencies and public



Investors

Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Annual shareholders' meeting Shareholders' meetings in subsidiaries and joint ventures Presentations for investment purposes/ Opportunity Day as per SET regulations Investor briefings Online communication/email Feedback and complaint channels 	<ul style="list-style-type: none"> Profitable operational outcomes Business growth Effective corporate governance Efficient risk management 	<ul style="list-style-type: none"> Establish continuous development of new revenue-generating business Drive innovation and technology advancement in product/service development and operational processes to enhance efficiency and management Conduct transparent communication of business operations, performance outcomes, and financial status Strictly adhere to laws and regulations Operate with transparency, adhere to ethical principles, and combat corporate corruption Align risk management practices with effective standards and increased productivity Conduct comprehensive risk management covering economic, social, environmental, and human rights aspects



Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Analyst meeting Creditors meeting Online communication/email 	<ul style="list-style-type: none"> Compliance with loan and bond agreements Effective risk management Financial stability Timely debt repayment 	<ul style="list-style-type: none"> Strictly adhere to loan and bond agreement terms Conduct accurate and comprehensive financial disclosures Address comprehensive risk management covering economic, social, environmental, and human rights aspects Conduct transparent communication of business operations, performance, and financial status Conduct timely debt repayment according to schedule for each installment



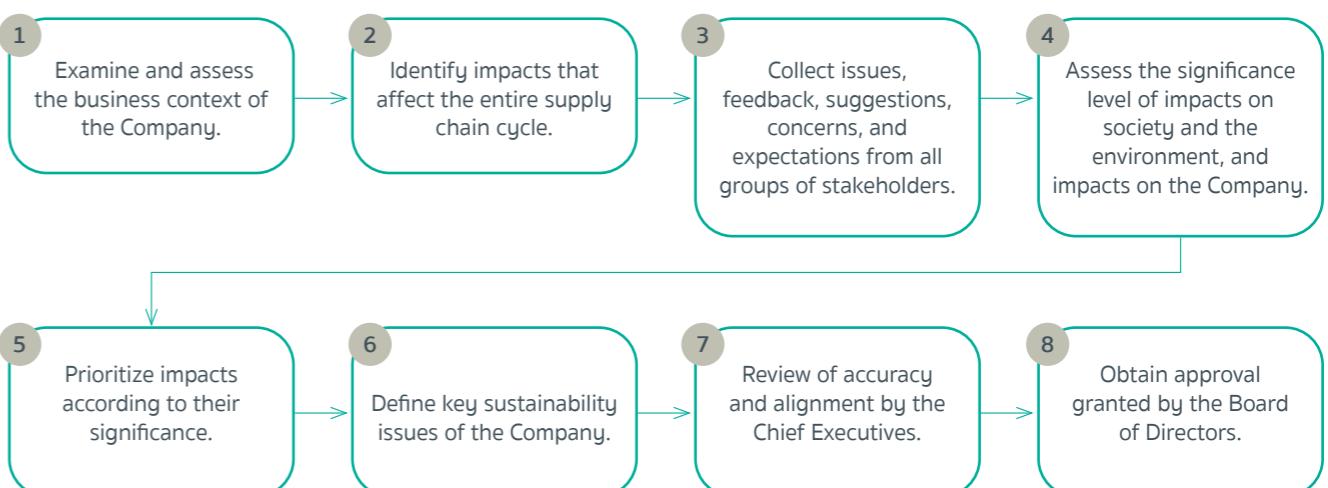
Channels and Methods	Interests and Expectations	Responses
<ol style="list-style-type: none"> Meeting and joint discussion with organizations related to the same industry group. Collaborative work as requested by the government sector 	<ul style="list-style-type: none"> Fair and legal competition 	<ul style="list-style-type: none"> Operate the business with integrity Collaborate in activities beneficial to investors, entrepreneurs, or consumers

Sustainable Management in the Social Dimension

The Company places great importance on conducting activities beneficial to society and surrounding communities. The activities are carried out through policies that focus on creating sustainable positive impacts, often in collaboration with government agencies, organizations, and business suppliers. Additionally, the Company implements policies to ensure equal treatment of all employees. These policies foster the employment of local labor forces, disadvantaged individuals, and people with disabilities, regardless of differences in ethnicity, religion, gender, age, educational background, or other factors. Moreover, the policy provides flexible benefits that adapt to the situation and needs of employees, including safety, occupational health, and environmental conditions in the workplace. Furthermore, the Company aims to develop expertise across diverse fields, foster awareness, and encourage employee participation in creating high-quality and effective work that delivers benefits to the organization, society, and the environment. The policy encourages active engagement with customers and stakeholders by soliciting their feedback for service improvement, as well as promoting social and community care. The Company prioritizes the safety of all primary stakeholders involved and takes responsibility for the environmental and natural resource impacts by promoting the importance of resources and waste management efficiency. Innovating work processes to minimize negative impacts on society and the environment is also included. The Company develops new businesses that use natural resources and energy more efficiently. This approach fosters a happy and supportive coexistence in society, which is a crucial drive in the Company's sustainable business. A positive company culture, particularly among employees who are the key resources leading the organization to success, is also fostered. This approach also facilitates collaboration in various activities among external communities, such as customer groups involved in projects, surrounding communities, and local governments. The goal is to create a collective impact for the benefit of society.

Objectives	Approach
<ul style="list-style-type: none"> Zero Lost Time Injury Frequency Rate (LTIFR) No violations of environmental and social laws by employees and contractors Environmental, Social, and Governance (ESG) risks assessment for key and new suppliers No significant human rights violations in all operations throughout the value chain Zero Tolerance to Corruption 100% of complaints addressed within the specified time frame 	<ul style="list-style-type: none"> Promote safety in the lives and properties of the Company and contractors. Conduct efficient resource and waste management. Prevent and mitigate negative impacts from the Company's and contractors' operations. Implement measures to promote awareness and prevent significant human rights violations in all activities throughout the Company's value chain and contractors. Continue to develop employees' skills, knowledge, and social skills and foster career advancement to support future business growth. Ensure efficient corporate governance with integrity, ethics, and fairness. Provide fair and effective complaint channels and handling mechanisms. Promote collaborative projects/activities among stakeholders to collectively care for and develop local communities and society for better quality.

Issue Priority



Material Sustainability Issues

Materiality Assessment of Sustainability Issues

In the process of sustainability-related operations, the company has prioritized sustainability issues by considering stakeholders throughout the operations and management of the business value chain. The main objectives have been set to create comprehensive sustainability, covering all dimensions of development, including environmental, social, and good corporate governance aspects. The process is as follows:

1. Conducting study on the Relevant Sustainability Context

The organization has gathered information in various dimensions by analyzing business approaches and their impact on the environment, society, and good corporate governance (ESG). In addition, material issues that are relevant to the situation in Thailand and the United Nations Sustainable Development Goals (UNSDGs) have also been incorporated.

2. Conducting Materiality Assessment

The assessment covers all dimensions of development, both at very high and high levels of importance. The process begins with an analysis of the company's vision, mission, and future operational plans, as well as the sustainability of the real estate development industry and the context of other sustainability situations, from the organizational level, community level, national level, to international goals. The assessment takes into account the positive and negative impacts on stakeholders as a priority.

3. Determining Material Sustainability Issues

Material sustainability issues that are of significant relevance to the organization are presented to the team in order to summarize guidelines and determine the organization's most significant issues. These issues are then used to formulate plans to address the organization's sustainability.

4. Establishing the Sustainability Report

The organization has collected data on sustainability performance and is open to listening to all suggestions and opinions from stakeholders in every sector. This information has been presented to senior management for consideration and continuous improvement of the operating plan in order to achieve maximum efficiency by taking into account the impact on the environment, society and corporate governance as most important.

Material Sustainability Issues in 2023

Key Issues of Very-high Importance	Key Issues of High Importance
Corporate Governance Dimension ① Business growth ② Sustainable product and service development ③ Compliance with laws and regulations Business ④ Business ethics and morality Environmental Dimension ⑤ Environmental management ⑥ GHG emission management Social Dimension ⑦ Customer and resident experience ⑧ Community and social development ⑨ Human resource development	Social Dimension ⑩ Human rights and equality



For 2023, the Company has identified a total of 10 material sustainability issues, covering 3 dimensions, which are aligned with 14 United Nations Sustainable Development Goals (UNSDGs) as follows:

Material Issues	Sustainability Topics Presented in the Sustainability Report	UNSDGs	Impact on Stakeholders
 Corporate Governance Dimension 1. Business growth 2. Sustainable product and service development 3. Compliance with laws and regulations Business 4. Business ethics and morality	Sustainability Management in the Governance Dimension 1. Business Ethics and Anti-Corruption 2. Compliance with Laws and Regulations 3. Risk and Crisis Management 4. Data Security and Privacy 5. Human Rights in Business Operations 6. Supply Chain Sustainability		<ul style="list-style-type: none"> Investors and shareholders Board of Directors, executives, and employees Customers and residents Communities and society Government agencies Business competitors Suppliers and business partners
 Environmental Dimension 1. Environmental management 2. GHG emission management	Sustainability Management in the Environmental Dimension 1. Energy Management 2. Environmental Care and Quality Control 3. Climate Change Management 4. Natural Resources Conservation and Restoration		<ul style="list-style-type: none"> Board of Directors, executives, and employees Customers and residents Communities and society Government agencies Suppliers and business partners
 Social Dimension 1. Customer and resident experience 2. Community and social development 3. Human resource development	Sustainability Management in Social Dimension 1. Employee Care, Development, and Retention 2. Social and Community Development 3. Sustainable Product and Service Development 4. Creating Positive Customer Experiences 5. Creating a Society of Safety		<ul style="list-style-type: none"> Board of Directors, executives, and employees Customers and residents Communities and society Government agencies Suppliers and business partners



Caring for the Environment and Resources

- Environmental Management and Quality Control 55
- Climate Change Management 60
- Energy Management 65
- Natural Resources Protection and Restoration 69

Caring for the Environment and Resources

Environmental Operations	SDG Targets	Approaches	Long-term Goals	2023 Goals
Environmental Management and Quality Control	     	Manage and minimize environmental impacts on society and the environment to protect and restore natural resources, along with transparent disclosure of guidelines and management practices for natural resources and the environment through various channels.	<ul style="list-style-type: none"> No violation of environmental laws and regulations 	<ul style="list-style-type: none"> No incidents of environmental law violations or imposition of significant fines in cases of such violations. No complaints regarding environmental law violations.
Climate Change Management	   	Strengthen ability to cope with climate change, reduce greenhouse gas emissions, and increase carbon sequestration in various activities, including enhancing use of renewable energy sources.	<ul style="list-style-type: none"> The Company has accordingly set goals to achieve carbon neutrality by the year 2040 and to reduce greenhouse gas emissions by 30 percent by the year 2030 compared to the base year of 2024 (the year in which the Company will begin its research and data collection), and to achieve net-zero greenhouse gas emissions by the year 2050. 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions per area unit, with data collection beginning in 2024.
Energy Management	     	Effectively design and promote efficient energy use and the utilization of renewable energy sources in business.	<ul style="list-style-type: none"> Design buildings with natural energy utilization and the selection of materials that are environmentally friendly and energy-saving, and implement efficient energy use measures to ensure decreased energy consumption. 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions per area unit, with data collection beginning in 2023.
Water Management	 	Have water management, promote responsible water usage, conduct standardized wastewater treatment before releasing it into the public.	<ul style="list-style-type: none"> No violation of environmental laws and regulations 	<ul style="list-style-type: none"> No incidents of environmental law violations or imposition of significant fines in cases of such violations. No complaints regarding environmental law violations.
Natural Resources Protection and Restoration	 	Avoid causing impacts, mitigate and prevent negative impacts, and undertake restoration and compensation of negative impacts that may arise during business operations.	<ul style="list-style-type: none"> In every project, the green area ratio to the developed area must be maintained at or above the level of the legal requirements. 	<ul style="list-style-type: none"> The green area ratio to the developed area must not be less than the level required by law.
Management of Sewage and Construction Waste	 	Promote waste separation from construction waste for recycling purposes and for waste volume reduction.	<ul style="list-style-type: none"> Conduct efficient waste separation management for recycling. 	<ul style="list-style-type: none"> Conduct efficient waste separation management for recycling.

Environmental Management and Quality Control



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
Real estate development businesses can cause environmental pollution that directly impacts the quality of the environment in a particular area. This can also affect the health and quality of life of stakeholders working in the real estate sector or living in surrounding communities. Without effective quality control, stakeholders in all groups may lose trust, potentially facing opposition from surrounding communities. Furthermore, it may lead to the revocation of permits or orders for the suspension of construction activities.	The emphasis on developing environmental management and quality control systems ensures close monitoring of environmental concerns. This approach fosters greater trust and confidence among stakeholders in all groups toward the company's operations, and results in increased satisfaction among customers who prioritize environmental issues.

2023 Goal	2023 Outcome
The number of environmental law breaches or significant fines	<ul style="list-style-type: none"> 0, or 100% resolutions of the complaints



Management Guideline

The Company conducts comprehensive assessments to identify potential risks and environmental impacts arising from its operations and supply chain activities. This includes evaluating the activities of suppliers and contractors that could adversely affect the environment. Based on these assessments, stakeholders may be impacted by environmental pollution such as air emissions, noise, waste generation, and water pollution stemming from construction activities. Therefore, the Company's focus has been on enhancing effective management and control measures to ensure that environmental impacts comply with or exceed legal standards. This is achieved through the use of suitable and efficient technologies and strict compliance with laws related to real estate operations, as well as the implementation of Environmental Impact Assessment measures and various environmental standards.

1. Implementation of the Environmental Impact Assessment's measures at the construction site

Environmental and safety factors	Preventive and corrective measures for impacts	Monitoring, inspection, and reduction measure for impacts
The quantity of dust within the project area does not exceed the amount that is specified by law.	<ul style="list-style-type: none"> Vehicles that carry materials and construction equipment must remove excess soil and clay residue from their wheels before leaving the construction site throughout the project's construction period. Water shall be sprayed on the road at the project entrance and within the construction area to reduce dust dispersion, at least twice a day. Soil and sand debris on the road surface shall be cleaned at least twice daily, before noon and in the evening after work hours, to prevent dust dispersion and ensure the safety of road users. 	<ul style="list-style-type: none"> Establish a monitoring process to ensure that air quality within the construction area does not exceed the levels specified in the Environmental Impact Assessment (EIA) report.
Noise	<ul style="list-style-type: none"> Regular inspection of equipment and machinery is required. Constructions are scheduled exclusively during daytime hours, or from 08:00 to 10:00 (or as per the EIA requirements for each project), to avoid activities that may cause excessive noise during the neighboring community's rest periods. 	<ul style="list-style-type: none"> The safety unit shall conduct random inspections to ensure compliance with the measures stipulated by the Company. Channels for receiving complaints and resolution tracking shall be established.
Waste disposal (waste generated within the construction project and worker housing)	<ul style="list-style-type: none"> Large trash containers with tightly fitting lids shall be provided in the office control building, construction site, and worker housing areas. Contractors are responsible for the expenses associated with waste collection. The reusable waste within the contractors' responsibilities must be removed from the entire area upon completion of construction. 	<ul style="list-style-type: none"> The project manager is assigned to oversee the construction contractor's operations. The safety unit shall conduct random inspections to ensure compliance with the measures stipulated by the Company. Channels for receiving complaints and resolution tracking shall be established.
Traffic management around the project area	<ul style="list-style-type: none"> Appropriate areas for material and equipment transport and parking shall be established to prevent project trucks from idling or accumulating on the road. All trucks must be parked within the project area. Soil and sand debris on the highway surface shall be cleaned twice daily, once before noon and again in the evening after work hours, to prevent dust dispersion and ensure road user safety. 	<ul style="list-style-type: none"> The project manager is responsible for overseeing the construction contractor's operations. The safety unit shall conduct random inspections to ensure compliance with the measures stipulated by the Company. 24-hour channels for receiving complaints and resolution tracking shall be established.
Land use	<ul style="list-style-type: none"> Activities are designated to be conducted exclusively within the project area and not to trespass beyond the project boundaries. Public relations activities are conducted to inform residents/communities around the project area in advance before any construction activities commence. 	<ul style="list-style-type: none"> EIA Monitoring states that the project manager is responsible for overseeing the operations of the construction contractor. The safety unit shall conduct random inspections to ensure compliance with the measures stipulated by the Company.
Wastewater management	<ul style="list-style-type: none"> Contractors are required to establish the wastewater management systems in compliance with legal requirements. Wastewater discharged from the construction project must meet the standards set for wastewater quality. 	<ul style="list-style-type: none"> The project manager is responsible for overseeing the construction contractor's operations. The safety unit shall conduct random inspections to ensure compliance with the measures stipulated by the Company.

Environmental and safety factors	Preventive and corrective measures for impacts	Monitoring, inspection, and reduction measure for impacts
Safety	<ul style="list-style-type: none"> Contractors are required to provide personal safety equipment to workers to prevent personal injury. Workers are required to inspect the condition of all tools and equipment before each use for work safety. Workers are required to perform their tasks in compliance with the regulations and safety practices specified by the Ministry of Labour. Orientation sessions for new employees shall be provided, along with weekly safety training sessions (Safety Talks). Mandatory signs for the use of personal protective equipment within the project area shall be installed. Household remedy and medical kits shall be provided in case of minor injuries. Emergency management measures shall be established. At least one annual practice drill shall be conducted for both direct and indirect construction activities. The construction area shall be secured to prevent unauthorized access from individuals outside the work zone throughout the construction process. Sanitation management shall be maximized within the construction area to minimize the occurrence of various accidents. Smoking in all public places and places of employment, as well as consuming alcoholic beverages within the project area during work activities, is prohibited 	<ul style="list-style-type: none"> The requirements and conditions must be specified in the construction contract. The project manager is assigned to oversee the operations of the construction contractor. Inspections by the safety unit shall be conducted to ensure compliance with the measures stipulated by the Company. Any deficiencies found during emergency drill exercises will be observed and corrected to ensure adherence to the designated plan.

2. Disclosure of EIA Monitoring Report

The Company prepares an Environmental Impact Assessment (EIA) Monitoring Report every 6 months. After that, the report is sent to the Natural Resources and Environmental Policy and Planning Department and relevant departments and agencies responsible for the environment. The report's purposes are to disclose the results of compliance with the impact's preventive and corrective measures and to monitor and evaluate environmental quality as assessed in the Environmental Impact Assessment (EIA) report.

3. Social and Environmental Complaints Management

The Company provides various complaint channels to ensure that stakeholders affected by environmental pollution can conveniently access and directly provide information.

Complaint Handling	Record-keeping and Evaluation	Management and Resolution	Result Reporting
<p>Online:</p> <ul style="list-style-type: none"> - Line: @proudrealstate - Facebook Page: Proud Real Estate info@proudrealstate.co.th https://www.proudrealstate.co.th/ <p>Offline:</p> <p>Audit Committee or Comsec, Proud Real Estate Public Company Limited, No.548 One City Centre Building, 19th Floor, Ploenchit Road, Lumphini, Pathum Wan, Bangkok 10330</p>	<p>Complaints from various channels are recorded in the complaint management system.</p> <ul style="list-style-type: none"> The system automatically forwards complaints to relevant departments for further management and resolution processes. 	<p>The relevant departments review the list of complaints, assess the time frame for resolution, and proceed with resolving them until completion. Appropriate remedies are provided to those affected. Measures to reduce risks and prevent recurrence shall be established, regularly monitored, and inspected.</p>	<p>Reporting on complaint management results for stakeholders, regular reporting of complaint resolution to management, and disclosure of complaint management information in annual sustainability reports.</p>

Social and Environmental Complaints Management by the Company emphasizes the involvement of various stakeholders and relevant regulations, laws, and policies in resolving issues. Additionally, a cause analysis is conducted to find preventive measures.

When complaints arise from construction processes or within real estate areas, relevant personnel are sent to inspect the area to provide recommendations for contractors, partners, process improvement, and preliminary corrective measures. Additionally, recommendations are requested from specialists or experts from government agencies to proceed with improvements, lay out management guidelines, analyze root causes, and prevent future occurrences.

Complaint	Operational and corrective procedures	Result
Dust pollution from construction activities	<ul style="list-style-type: none"> The project manager was responsible for overseeing the construction contractor's operations in controlling and monitoring dust pollution during construction activities. Protective cloth or mesh was installed around the building throughout the construction to prevent dust particles. Random dust level inspections were conducted, and weekly monitoring reports were reported. 	<ul style="list-style-type: none"> This complaint did not recur.
Noise from Vehicles that carry materials that pass near the construction area on holidays	<ul style="list-style-type: none"> The project manager was responsible for overseeing the construction contractor's operations by controlling and monitoring noise and vibrations during construction activities. The corrective measures were explained to the contractor to ensure mutual understanding and collaboration. Vehicles that carry materials and large trucks were prohibited from entering the construction site on holidays. Random noise levels and vibration inspections were conducted to ensure compliance with the stipulated measures and legal requirements and to prevent complaint recurrence. 	<ul style="list-style-type: none"> This complaint did not recur.
Noise from construction activities	<ul style="list-style-type: none"> The project manager was responsible for overseeing the construction contractor's operations by controlling and monitoring noise and vibrations during construction activities. The complainant was consulted to reach a mutual agreement by establishing clear construction schedules for both working days and holidays. If the surrounding community requires temporary noise suspension or construction activities, relevant parties shall be notified. Random noise levels and vibration inspections were conducted to ensure compliance with the stipulated measures and legal requirements and to prevent complaint recurrence. 	<ul style="list-style-type: none"> This complaint did not recur.

The operation of the water spray and water mist system to reduce dust generated from construction activities



An arrangement of disposal points and clear waste segregation within the project area as part of the waste disposal process.



Road cleaning and maintenance in the surrounding areas of the projects.



Climate Change Management



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>Climate change is a significant challenge for business operations in various dimensions. Real estate development businesses are impacted directly and indirectly by climate change, which has significant impacts on various stakeholders in the value chain. For example, the lives and well-being of the contractors/workers, suppliers, and local community, as well as the Company, are impacted by the increased operation costs. Furthermore, laws, regulations, and various requirements related to climate change both domestically and internationally are changing, which poses transition risks to the Company. Therefore, the Company is required to prepare for the increased demand of current and future customers. Examples of preparation include disclosing operational data related to energy use and greenhouse gas emissions of various public utilities, developing sustainable products and services to satisfy customers, and reducing risks that will impact the Company's competitiveness in the future.</p>	<p>The Company sees opportunities in developing new products and services driven by current customer demands, the impacts of the enforcement of laws and regulations related to climate change, changing trade standards following government policies in each country, and increasingly stringent climate policies. The Company is able to respond to the increasing demand from new customers or target groups that place greater importance on climate change.</p>
<p>2023 Goal</p> <ul style="list-style-type: none"> Greenhouse gas emissions rates, both direct and indirect 	<p>2023 Outcome</p> <ul style="list-style-type: none"> Start data collection Data collection has been started

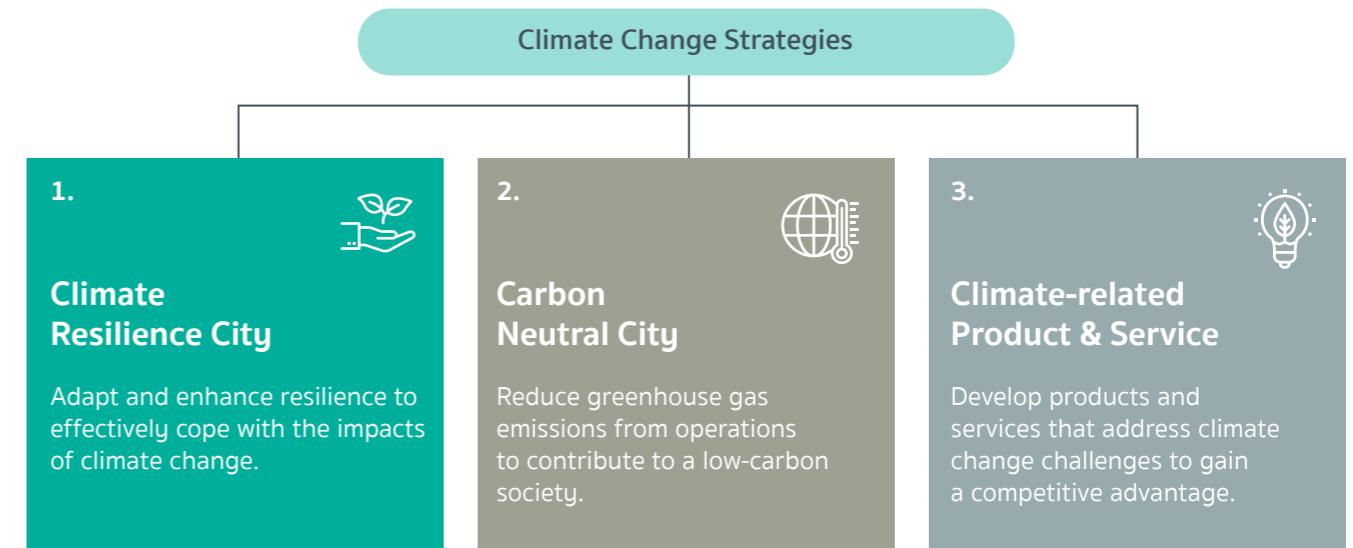


Management Guideline

Climate change is a global challenge that leads to the risks of disaster and impacts on the economy, well-being, and sustainability of global society. The impacts of climate change are becoming increasingly severe and evident. The Company recognizes the importance of collaboration from all sectors to collectively mitigate the impacts of climate change and support the Paris Agreement. In December 2015, Thailand committed to reducing greenhouse gas emissions by 20-25% by 2030 compared to the base year of 2005. This commitment aims to control the increase in the global average temperature to well below 2 degrees Celsius compared to pre-industrial levels. Additionally, the Glasgow Climate Pact, adopted at the UN Climate Change Conference (COP26) in November 2021, supports the use of clean energy, which reduces the use of coal and fossil fuels, and contributes to achieving Sustainable Development Goal 13 of the United Nations.

The Company recognizes the importance of cooperation from all sectors to collectively reduce greenhouse gas emissions. As a result, the Company has integrated climate change management into its organizational goals and action plans to strive towards becoming a carbon-neutral company by the year 2040. The Company has set targets to reduce carbon emissions by 30% by 2030 compared to the base year of 2024 (with data collection commencing in 2024) and to achieve net-zero greenhouse gas emissions by 2050. These targets aim to support the Paris Agreement and Thailand's commitment declared at the 26th UN Climate Change Conference (COP26) to achieve carbon neutrality by 2050 and net-zero emissions by 2065.

Currently, the Company is studying the feasibility and outlining strategies to manage climate change, which aim to reduce greenhouse gas emissions from its operations and adapt to changing climate conditions. The management strategies are divided into three aspects, as follows:



1. Climate Resilience City

The Company emphasizes sustainability, which starts with the procurement of potential sites for project development. This process involves evaluating both the feasibility study and the minimal impact on the surrounding communities. The strategic location of projects aims to minimize negative impacts and ensure long-term business viability. Therefore, the assessment of the environmental impact resulting from climate change in the area becomes a crucial factor in selecting future project locations. The Company recognizes the importance of managing the changing climate, such as rainfall patterns, infrastructure development, and soil elevation adjustments, for flood preparation and prevention. Moreover, the Company promotes awareness among stakeholders regarding efficient use of water resources, garbage segregation, and public waterway sanitation, which should be free from debris and obstructions. Additionally, the Company considers the construction of retention tanks as required by law and relevant land regulations and laws. For project development, the Company has established criteria for selecting architects, contractors, and environmental consultants who are proficient and specialized in their respective fields to meet client needs. Moreover, priority is placed on the use of efficient and environmentally friendly materials in the Company's projects.

2. Carbon-neutral City

The Company is aware of pollutants that may arise from its operational activities, such as chemicals and fine particulate matter generated from the construction of buildings and infrastructure. The Company also prioritizes the community's health; therefore, the Company is committed to managing and implementing projects to prevent and control air pollution both within the project area and the surrounding community. The Company adheres to health, safety, and environmental standards, as well as international occupational health and safety standards. Consequently, annual practices for controlling and monitoring air pollution are established. The practices are stipulated by the National Environmental Board Announcement No. 244 (2004) regarding standards for ambient air quality and the US EPA CFR 40 Part 50 standard, which covers air quality monitoring methods such as non-dispersive infrared, UV-fluorescence, chemiluminescence, and flame ionization detectors.

Last year, the Company contracted TNP Environment Company Limited to conduct air quality surveys and install monitoring equipment at the ROMM Convent and VEHHA Hua Hin projects, which are considered air polluted areas, such as areas with particulate matter not exceeding 2.5 micrometers (PM 2.5). Additionally, measures were implemented to install equipment to trap small particulate matter at the construction sites from the surrounding areas. Water spraying on the construction area was mandated to reduce particulate dispersion from the project construction area to the surrounding area. Contractors were prohibited from burning waste within the project area. The Company also inspected and ensured the good condition of its vehicles. Furthermore, the Company promoted self-reduction of air pollution among employees, suppliers, contractors, and customers. The approach was achieved by supporting campaigns to reduce unnecessary car usage, encouraging individuals to turn off car engines while parking, and discouraging the burning of garbage and leaves. Additionally, the Company conducted annual air pollution measurements and found that all measurements were within control limits and met standards.

The Company has replaced electrical equipment used in offices and common areas with energy-efficient devices to reduce fuel consumption, specifically from fossil fuels. The Company has integrated this strategy into its business development plan. The Company applies the principles of the circular economy to managing solid waste at its main office, promoting waste sorting and recycling, and maximizing the benefits of recycled waste. Consequently, the Company places great importance on design. In the future, the Company plans to use Building Information Modeling (BIM) technology and Leadership in Energy and Environmental Design (LEED) building standards in its project management and the development of various platforms.

3. Climate-related Products and Services

The Company also prioritizes environmental responsibility by adhering to environmentally friendly design principles, which start from the selection of materials and products to project design. Materials that are environmentally friendly are chosen for construction and project improvement. This selection is based on maximizing resource utilization principles in sustainable development and circular economy principles. The Company also considers selecting materials certified to promote energy conservation, natural resource conservation, and longevity. The approach focuses on the details of material selection and product procurement to reduce environmental pollution. Strategies, such as reducing energy consumption using alternative electricity sources like solar cells, using low-VOC paint for buildings, and implementing waste management systems within projects, are also included. The Company believes that the design principles and material selections will enhance the environmental friendliness of the Company's projects. Currently, the Company has started installing environmentally friendly materials and products into condominium projects such as "ROMM Convent," "VEHHA Hua Hin," and future development projects.



Additionally, the Company conducted annual air pollution measurements and found that all measurements were within control limits and met standards.

Dimension	Project/Activity	Objective
Environment, Innovation & Wellness	<p>VI ARI's homes are equipped with environmentally friendly devices that focus on maximizing waste management and utilizing solar power. Monitoring can be done through an application.</p> 	<p>Environmental Aspect Promote and place an emphasis on enhancing environmentally friendly lifestyles by minimizing environmental impacts through household appliances installed since the beginning.</p> <p>Innovation Aspect Due to the installation of the solar rooftop system, Huawei calculates the energy produced, which helps reduce greenhouse gas emissions, such as:</p> <ol style="list-style-type: none"> 1. Save approximately 0.45 tons of coal, a fossil fuel. 2. Reduce carbon dioxide emissions by 0.53 tons. 3. Equivalent to planting how many trees (which is equivalent to planting 1 tree on the screen). <p>Design Aspect Use laminated glass in the project, which reduces UV radiation entering the building and heat and saves energy consumption for air conditioning.</p>
Environment	<p>VI ARI: Skylights allow natural light in, reducing the need for electricity and promoting healthier living conditions.</p>	
Environment	<p>VI ARI: Accoya wood materials from the Netherlands are used in the house facade.</p>	<p>Use environmentally friendly materials certified by LEED green labels.</p> <p>Promote residents' quality of life and minimize environmental impacts.</p> 
Environment & Innovation	<p>VI ARI: Diverse home automation systems to accommodate residents' needs.</p>	<p>HOME AUTOMATION</p> 
Environment & Innovation	<p>ROMM Convent: Innovative automated parking system and EV chargers on ground</p> <p>VI ARI: Parking facilities equipped with EV chargers.</p> <p>VEHHA: Parking facilities equipped with EV chargers.</p>	<p>Help reduce fuel consumption and CO2 emissions, which compare electric and gasoline vehicle mileage rates.</p> <p>For example: Tesla Model 3: Electric car at 1.03 Baht per km. BMW X3: Gasoline car at 3.18 Baht per km (using 95-octane gasoline)</p> <p>Electric cars can save up to three times on fuel costs compared to gasoline vehicles.</p>

Dimension	Project/Activity	Objective
Environment & Wellness	ROMM Convent: Environmentally friendly materials and products are selected, including considerations in the design process.	<ol style="list-style-type: none"> 1. Design vertical green panels on the building's sides to filter PM 2.5 dust and pollutants, and select edible plants to benefit residents and promote healthier living, as well as exercise equipment to enhance overall well-being. 2. Select environmentally friendly materials and enhance quality of life: <ul style="list-style-type: none"> - Select hybrid engineered wood-patterned flooring to help reduce impacts and minimizes resident accidents. - Use porcelain tiles with R10 rating for anti-slip properties in bathrooms. - Use wall paints certified with green labels and low VOC levels. - The use of laminate glass panels in the project helps reduce UV radiation entering the building, minimizing heat, and saving energy typically consumed by air conditioning. 3. Use smart toilets to improve convenience and safety. 
Wellness	ROMM Convent: Privileges from BNH Hospital.	Access to BNH Hospital privileges and expedited hospital access.
Environment	VEHHA: Solar cell tubes in common areas.	Reduce electricity costs, be environmentally friendly, and promote minimal environmental impact.
Environment	VEHHA: Design	<p>Design aspects:</p> <ol style="list-style-type: none"> 1. The use of laminate glass panels in the project helps reduce UV radiation entering the building, minimizing heat, and saving energy typically consumed by air conditioning. 2. Well-designed corridors for better airflow exchange.

Energy Management



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Key Sustainability Issue:

Efficient Energy Consumption and Alternative Energy Sources

Importance Level: Very High

Risk	Opportunity
<p>There is increasing global interest in environmental responsibility. Consequently, failing to meet the demands of current and future customers may affect the company's competitiveness and long-term revenue generation.</p>	<p>The company recognizes opportunities for developing products and services to meet the needs of both current and future customers. This approach includes promoting the use of clean energy in urban areas, installing electric vehicle charging stations to accommodate electric vehicles, and sourcing energy-efficient technologies. This implementation will not only build confidence and generate revenue but also enhance the company's competitiveness.</p>

	2023 Goal	2023 Outcome
Rate of energy consumption per unit of operated area, compared to the prior year	<ul style="list-style-type: none"> • a decrease from 2022 	<ul style="list-style-type: none"> • a decrease from 2022





Management Guideline

The Company has established the main business activities related to energy consumption as follows:

Main Activities	Gasoline	Diesel	LPG	Solar	Electricity
Public utilities		✓		✓	✓
Electricity in common areas				✓	✓
Indoor electricity					✓
Corporate travel	✓	✓			
Supportive activities					✓

Measures for Sustainable Energy Consumption Reduction

Core Operational Processes	Operational Guideline
Electricity Consumption in common areas of projects	<ul style="list-style-type: none"> Increase the utilization of renewable energy sources, particularly solar energy, in the common areas of the projects. Replace bright streetlights with energy-saving LED bulbs. Install automatic on/off control systems for streetlights. Install electric vehicle charging stations as a means to indirectly promote the usage of electric cars among customers.
Electricity Consumption in water pump and sprinkler systems	<ul style="list-style-type: none"> Enhance energy efficiency by inspecting and upgrading machinery with high electricity consumption in water pumping systems. Increase the utilization of electricity from clean energy sources in water pump systems.
Electricity consumption in the office	<ul style="list-style-type: none"> Post caution signs near light switches and inform employees accordingly. Monitor and make sure that all light switches are turned off when the last employee leaves the office. Turn on/off lights only in necessary areas. Turn off unused light switches, such as during lunch breaks, and utilize natural light by opening curtains instead of turning on lights in areas that do not require artificial illumination.
Air conditioning usage	<ul style="list-style-type: none"> Operating hours shall be set as follows: Head Office: 08:00 - 17:00. Sales Office and Showroom: 08:30 - 18:00. Set air conditioner temperature at 25 degrees Celsius. Close windows tightly when using air conditioning and not leave windows open while using air conditioning. Assign project employees or housekeepers to monitor and check that all electrical equipment is properly turned off before leaving.
Usage of electrical appliances/ office supplies	<ul style="list-style-type: none"> Post caution signs near electrical appliances/supplies and inform employees accordingly. Select highly efficient equipment and electrical appliances with Label No. 5 or Energy Save certification. Regularly inspect and maintain electrical appliances every 6 months or according to the maintenance schedule. Turn off computers and unplug them when not in use and set automatic screen shutdown if not used for over 10 minutes (Standby Mode). Shut down computer screens when not in use for more than 10 minutes and turn them off when not in use or set usage times.

Core Operational Processes	Operational Guideline
	<ul style="list-style-type: none"> Edit documents on computer screens and verify accuracy before printing. Reuse paper for printing internal documents or non-important documents. Use black and white ink instead of colored ink for internal or non-essential documents.
Fuel consumption	<ul style="list-style-type: none"> Implement a carpooling policy for employees traveling on the same route. Use alternative communication methods instead of traveling, such as sending emails or conducting online meetings. Company's head office is conveniently located near Phloen Chit BTS station, which allows employees to commute via public transportation and minimize fuel consumption. Support flexible working hours to allow employees to work from, thereby minimizing fuel consumption.
Office water consumption	<ul style="list-style-type: none"> Post caution signs near water taps and inform employees accordingly. Use water sparingly and turn it off when not in use. Any plumbing equipment is found to be damaged, notify the HR department to coordinate with building maintenance immediately. Prohibit leaving food scraps to prevent water pipe blockages.
Meetings and events	<ul style="list-style-type: none"> Use environmentally friendly materials and equipment. Select reusable containers and equipment instead of single-use ones. Conduct E-Meetings and provide meeting documents electronically. Replace customer plastic drinking straws with environmentally friendly ones (e.g., paper, rice straw). Use E-Brochures instead of paper brochures only when necessary.
Cleaning and waste disposal	<ul style="list-style-type: none"> Encourage all employees to perform the 5S activity in their respective departments/areas. Set up waste disposal stations with clear waste separation instructions to properly separate and manage waste.
Communication	<ul style="list-style-type: none"> Primarily use online channels for internal communication. Establish communication points within the organization, such as bulletin boards or easily accessible points, for clear communication instead of using paper.

The Company is dedicated to operating efficiently to minimize overall energy consumption, including electricity and fuel consumption. This goal is pursued through the following implementation as follows

Overview of Energy Conservation

Regarding the proportion of energy consumption within the head office, the Company promotes sustainable practices through flexible working arrangements (Flexible Time) and adopt a hybrid schedule. Employees have the option to work from home or work from anywhere to reduce the need for daily commutes to the office. This approach minimizes fuel and electricity consumption. By enabling remote work, the Company can reduce electricity and water consumption at its facilities, resulting in lower average annual utility costs.

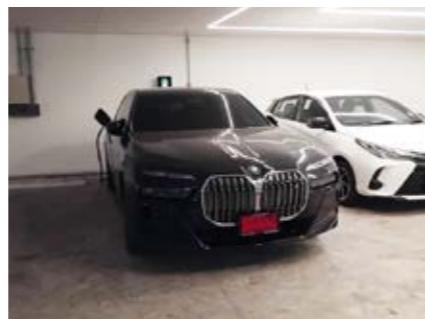
Proportion of Energy Consumption within the Head Office

	2021	2022	2023
Electricity usage per square meter	79.866	81.591	57.553

Proportion of Water Consumption within the Head Office

	2021	2022	2023
Water usage per square meter	0.908	0.721	0.705

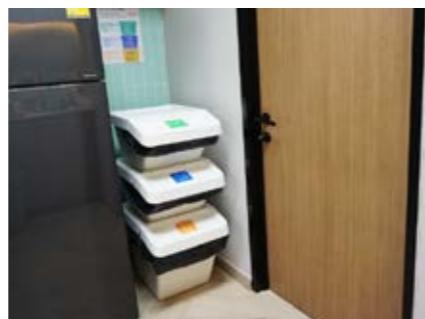
The installation of electric vehicle charging stations within the projects managed by the Company.



The initiative to encourage employees to turn off lights, unplug devices, and open curtains during lunch breaks at the head office



The initiative to promote waste separation by setting up areas for disposing of separated waste types within the head office.



The initiative to promote energy conservation: posting caution signs within the office and communicating with employees accordingly.



Natural Resources Conservation and Restoration



Contributions to
the United Nations
Sustainable Development
Goals (UN SDGs)



Key Sustainability
Issues :

Natural Resources
Conservation and
Restoration

Importance Level:
Very High

Risk

Development of real estate may have a positive impact on the overall economic growth of the country. However, at the same time, it affects changes in the use of land and urban community expansion. Development of community areas has a direct impact on the decline in biodiversity. Moreover, it increases the risk of causing an imbalance in the ecosystem in the area.

Opportunity

The Company sees opportunities in developing real estate into residential areas that create a balanced integration of project development and the preservation of society and the environment. This allows the Company to achieve smooth coexistence between its projects and the surrounding communities. Establishing biodiversity preservation to remain of high quality and balance ensures the transmission of sufficient and vital resources for sustainable development in economic, social, and environmental aspects, while sustainably providing benefits to future generations.

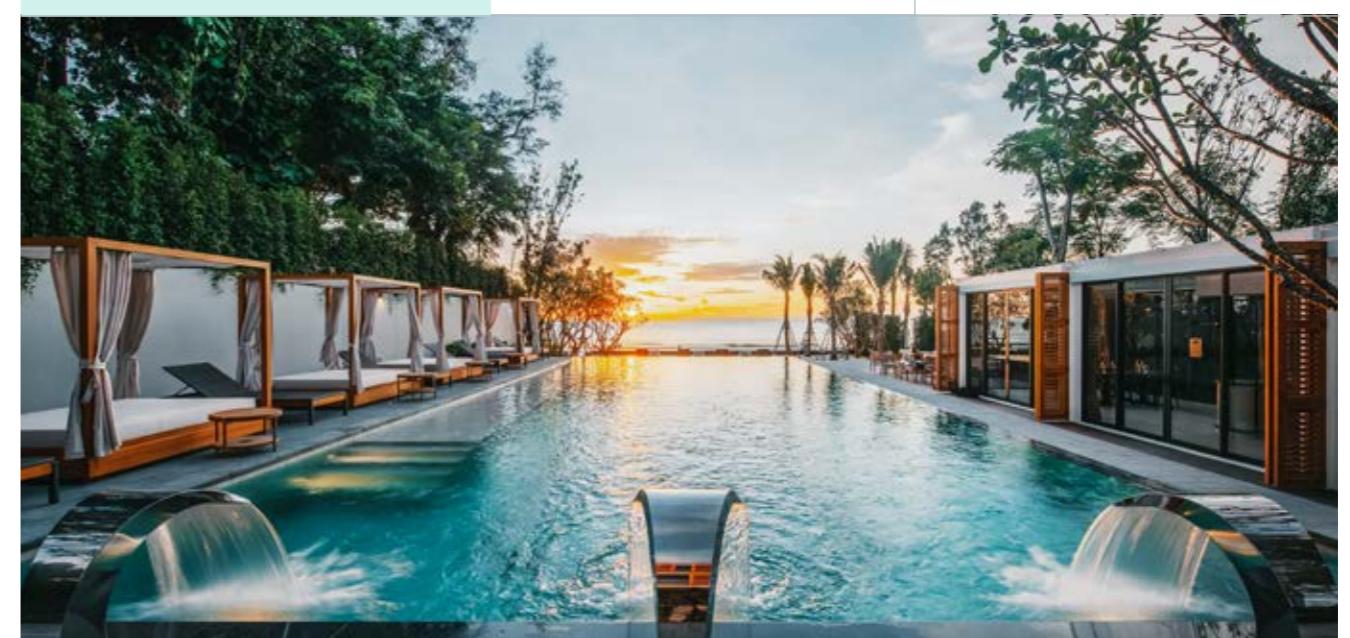
Goal for 2023

The ratio of green space to the total developed area in the project.

>5%

Outcome for 2023

>5%

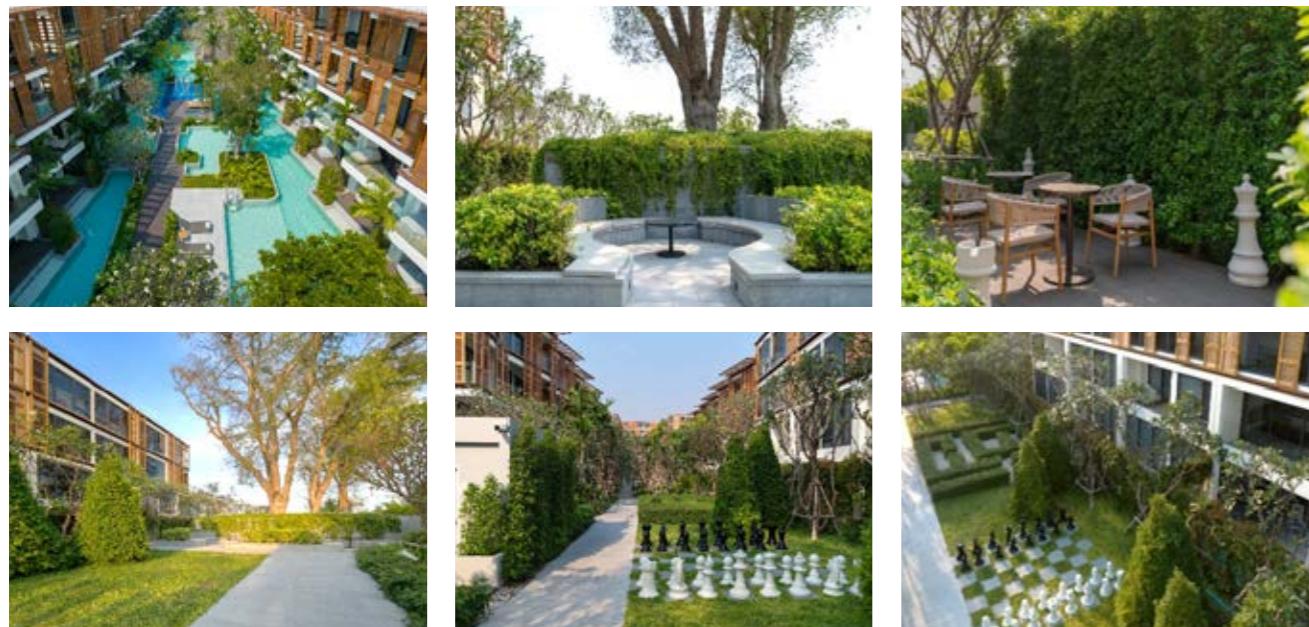




Management Guidelines

The Company is dedicated to strictly operating its business along with providing the care and conservation of natural resources and the environment. Every project undertaken by the Company must include green areas that go beyond the legal requirements and in line with the company's operational guidelines. The Company always considers and pays attention to the designs of its real estate development projects, with a priority particularly given to building green areas as possible, while in compliance with the legal requirements, external limitations and internal factors.

Projects	Green area of the projects according to standards: square meters.	Green area provided in the projects: square meters
InterContinental Residences Hua Hin	1,278	3,015.08
VEHHA Hua Hin	1,742	2,472.2
ROMM Convent	892	909.99



Creating Value for Society

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Creating Value for Society

Social Operations	SDG Targets	Approaches	Long-term Goals	2023 Goals
Developing sustainable products and services	  7.1,7.2, 9.4.1	Promote policies and business operational measures to help reduce greenhouse gas emissions.	<ul style="list-style-type: none"> The Company has set a goal to achieve carbon neutrality by 2040 and to reduce greenhouse gas emissions by 30% by 2030, compared to the 2024 base year (starting with research and data collection in 2024), and to achieve net-zero greenhouse gas emissions by 2050. 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions per area unit, starting data collection in 2024.
Building Positive Customer Experience	  8.3,16.3	Improve the business with high-quality and standardized services that promptly meet customer expectations to ensure quality growth.	<ul style="list-style-type: none"> The company's customer satisfaction rating exceeds 80%. 	<ul style="list-style-type: none"> The company's customer satisfaction rating exceeds 80%.
Promoting Care, Development, and Retention of Employees	    3.8,4.7,8.3, 8.5,8.7,10.2, 10.3	Develop employees' skills and knowledge to promote their career advancement, ensure their well-being, and establish a fair treatment.	<ul style="list-style-type: none"> The company's employee engagement rating exceeds 80%. 	<ul style="list-style-type: none"> The company's employee engagement rating exceeds 84%.
Building a Safe Society	    3.4, 3.6, 8.5,8.7, 8.8, 11.2, 16.1.4	Promote safety in society to ensure the security of life and property, and build a quality society that adheres to human rights principles.	<ul style="list-style-type: none"> Zero work-related injuries resulting in stoppages for both employees and contractors. No significant human rights complaints arising from the Company's operations. No significant human rights complaints have been made against the company's operations. 	<ul style="list-style-type: none"> Zero work-related accidents resulting in stoppages for both employees and contractors. Zero incidents of work-related injuries causing stoppages among employees and contractors. No significant human rights complaints have been made against the company's operations.
Fostering Social Cohesion and Community Development	      1,3,4,3,6,3,8, 4,7,5,1,5,5,2, 6,1,6,3,10,2, 10,3,11,2,1	To effectively manage social impacts, minimize negative consequences and maximize positive contributions to foster a harmonious relationship between projects and the community, as well as encourage active participation from all stakeholders, addressing their concerns, needs, and expectations fairly and efficiently for long-term sustainability.	<ul style="list-style-type: none"> 100% resolution of social complaints The Company's active engagement in community and social development activities 	<ul style="list-style-type: none"> 100% of social complaints have been completely resolved within 2023. Actively Engagement in community and social development activities.

Sustainable Product and Service Development



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>Currently, both domestic and foreign operators and investors are paying more attention to global trends that take into account the environment, society, and corporate governance (ESG), alongside changing laws and regulations that impact business operations. Moreover, there is a growing public concern regarding the impacts of business operations on personal health and well-being. Therefore, the Company may encounter the risk of losing its business opportunities and competitiveness if it fails to develop products and services to meet the changing or additional demands of both current and future customers beyond their basic needs. These customer demands relate to climate change, energy, and greenhouse gas emissions. Furthermore, the entry of new competitors in the business service sector, who can respond to customer needs more quickly, has intensified market competition. Consequently, the Company may face the risk of losing a significant amount of revenue from the sale of its products and services.</p>	<p>The company serves both new and existing customers. Through close engagement with customers, the company can effectively monitor and adapt to changes in their needs, gaining opportunities for rapid and comprehensive development aligned with customer demands. Additionally, this enables the company to innovate in product and service offerings and technologies, providing better services to new customers and enhancing its long-term competitiveness. Moreover, developing products and services that incorporate clean, environmentally-friendly technology innovations will promote trust and accountability among communities regarding the company's operations, fostering sustainable coexistence.</p>

2023 Goal	2023 Outcome
<p>The proportion of projects with employee involvement in proposing innovations and technologies</p>	<p>At least one project involves employee involvement</p>



Management Guideline

The Company is dedicated to developing real estate under the commitment of "More Than Just Living," and strives to transcend living norms that go beyond the ordinary and deliver satisfaction in every aspect of daily life. Conventional living styles are transcended through space design that fosters connections with the environment, nature, and communities, aiming to create sustainable value for society that benefits all stakeholders. With a focus on stakeholders at the core of product development, the Company emphasizes meeting the needs of residents and addressing the needs of stakeholders who are directly impacted by the Company's operations, providing them with a positive living experience within projects and generating economic, social, and environmental value.

The Company has established a framework for product and service development under the concept of "SENSE OF HOSPITALITY + VALUE OF HOME BEING + HARMONIOUS LIVING," with the goal of delivering maximum value to all customer groups and stakeholders. Emphasis is placed on fostering connections with customers through diverse methods to explore, assess, and analyze the needs of both current and potential customers, while also monitoring significant trends in real estate development. The utilization of collected data to evaluate impacts, urgency, and priority levels aids in determining the primary objectives for product and service development and prepares for marketing initiatives, partnerships, or collaborations with stakeholders. Strategic innovation management is employed to design products and services that confer competitive advantages, while also considering the benefits, values, and safety of all stakeholders. Continuous improvement is fostered through active listening and consideration of feedback and suggestions. The Company encourages all employees to contribute creatively and collaboratively to propose product and service developments that more effectively address customer needs promptly.



In 2023, the Company made enhancements and advancements to its ideas, products, services, or processes to develop into business innovations for society and/or the environment.

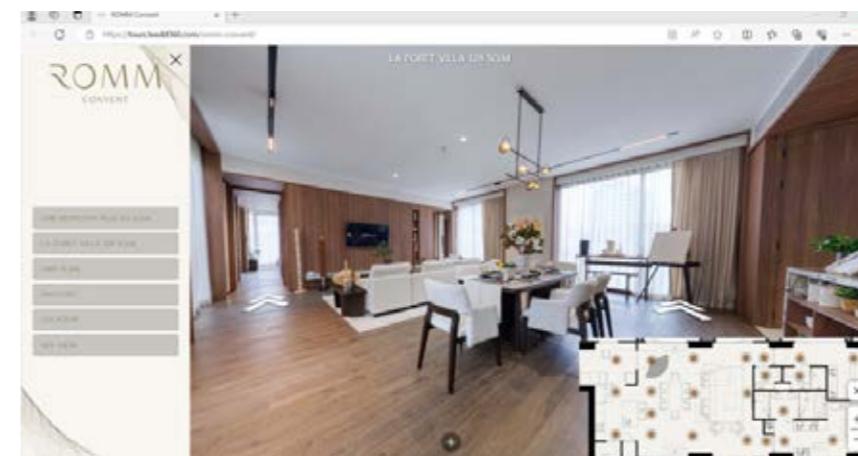


360° Virtual Tour – Sales Gallery

Objective

The innovation has been developed with the aim of leaving an impression on every virtual visit to the project, specifically designed for customers, utilizing 360° Virtual Tour technology. This innovation enhances the experience, creating a sense of actually being on-site through a touch screen system. It is used as a sales tool to enhance the sales process, allowing salespeople to efficiently conduct Virtual Sales with customers. Customers can virtually tour the project from home, reducing travel time, fuel consumption, and pollution associated with physical visits.

Additionally, the 360° Virtual Tour is an innovative tool that offers advantages to Presales projects still in development. Customers can explore actual views from specific locations and floors of the rooms they are interested in. Moreover, it enhances convenience for off-site sales activities, including booth setups and roadshows, both domestically and internationally.



A Guide to 360° Virtual Tour

- Currently, the 360° Virtual Tour is installed on Touch Screen displays within the sales office, and it is also accessible online through tablets and mobile devices used by the sales team to assist customers. Sales representatives currently share the website link of the 360 Virtual Tour with customers. This provides more convenience for customers to view it on their mobile devices or computers.
- Visit the 360° Virtual Tour website at <https://tours.teedd360.com/romm-convent/>

Benefits for the Company	Benefits for Stakeholders	Benefits for the Environment
Create a positive sales and marketing experience to facilitate easier booking decisions.	Provide enhanced convenience to customers interested in the Company's projects, allowing them to independently review project details.	Minimize paper usage and essential printing processes, which consume significant resources and may result in future waste concerns.
Minimize the information delivery process to customers and prevent errors by continuously updating data collection.	Domestic and international suppliers and sales agencies can access project details and respond to customers more promptly.	Minimize the need for customer travel to visit the project, particularly for those residing far away and international customers.
Reduce costs of media production that would otherwise require wasteful resources through utilization of technology.		

Additionally, in 2023, the Company conducted in-depth data collection through interviews with different customer groups. This deep data analysis was then used to inform strategic organizational planning and the development of products and services that effectively meet customer needs.

Building Positive Customer Experience



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
Customers are a key stakeholder group that directly impacts the company's performance and sustainability. The quality of the customer experience is crucial, particularly regarding the Company's products and services that affect the customers' ability to conduct business. If the Company cannot meet the needs of customers or maintain a good relationship, it may affect the customers' confidence in the Company and the Company's reputation, including trading partners in the diverse supply chain.	When customers have positive experiences and are satisfied with the Company's products and services, it enhances business opportunities through various channels. These include fostering repeat purchases and service usage, generating referrals, and building the Company's reputation and credibility, which leads to continuous and sustainable growth. In addition, building a close relationship with customers enables the Company to gain insights into their attitudes and opinions towards products and services. This helps the Company improve current products and services and monitor trends in changing customer needs to be prepared to respond to future customer needs in another way.

	2023 Goal	2023 Outcome
Customer Satisfaction Rating for the Company	More than 4 points or 80%	81%
Complaints resolved from customers completed within 2023.	>90%	100%



Management Guideline

The Company has determined the framework for product and service development through Proud Pillars, consisting of "SENSE OF HOSPITALITY, VALUE OF HOME BEING, and HARMONIOUS LIVING." These framework aims at enhancing the potential in delivering the utmost value to customers and stakeholders of all groups.

The Company has set the guidelines for customer relationship management as follows:

- 1. Acquire** To obtain good relationship from new customers through sales and post-sales service process.
- 2. Retain** To maintain positive relationships, we encourage customer engagement in providing feedback through available channels and activities, ensuring effective responses from the Company.
- 3. Extend** To enhance lifelong relationships by continuing to develop products and services that meet customers' needs in all dimensions.

Building and Maintaining Customer Relationships

The satisfaction of customers or residents within the project is a vital component that underpins the long-term economic prosperity of the Company. Consequently, the Company is dedicated to building and enhancing positive relationships through diverse engagement channels to foster loyalty and trust, thereby ensuring the company's sustainability in the future. In 2023, the company carried out activities aimed at fostering strong relationships with customers as outlined below:

To develop and deliver the best homes and residential properties, the Company relies on the understanding and collaboration of its employees working together. This ensures that everyone shares common goals and achieves the desired results. The Company has three main pillars: SENSE OF HOSPITALITY, VALUE OF HOME BEING, and HARMONIOUS LIVING. By paying close attention to every aspect of customer needs, the Company gathers feedback on customer satisfaction with its products and services. This valuable information is then utilized to further improve and develop products and services, with the ultimate goal of maximizing customer satisfaction.

Customer Satisfaction Assessment

In 2023, Proud Real Estate operates its business with the commitment of 'More Than Just Living - Experience Life Beyond Living', which serves as the core philosophy in conducting business. Through service design, selection of services, and new partnerships, the Company aims to provide the most complete living experience for its residents. The Company is dedicated to addressing the diverse aspects of lifestyle and living, ensuring that the concept of More Than Just Living is integrated into every aspect. To achieve this goal, satisfaction of customers or residents (Customer Satisfaction) is evaluated at every service point. The results of these evaluations are then analyzed and used to plan development strategies for the best possible living experience for the customers and residents of the project.

Assessment of Satisfaction after a project visit

An assessment is divided into three main topics of evaluation as follows:

- 1. Sales Staff**
- 2. Readiness of the projects, locations, facilities, and equipment**
- 3. Overall project management**

Customer satisfaction related to their experience of receiving service from sales staff during their project visits is assessed. The evaluation includes customer information provision. This involves understanding customer needs and presenting products appropriately, as well as clear communication skills, professional service delivery, and the personal image of the staff.

Evaluate customer satisfaction related to the sales office and showroom, considering readiness, cleanliness, as well as equipment and promotional materials that contribute to effective project presentations.

the satisfaction of residents regarding the overall project management is assessed to ensure it meets customer expectations. Customers perceive the uniqueness (More Than Just Living) of Proud Real Estate's projects, receiving greater value compared to other projects. This value comprises three key elements: the value of care and attentiveness in service, the value of a sense of home, and the value of harmoniously blending the residence with the surrounding area.

The overall assessment result for the year 2023 is 96.16%.

The overall assessment result for the year 2023 is 92.95%.

The overall assessment result for the year 2023 is 90%.

Assessment of residents' satisfaction with the living experience under the project, Intercontinental Residence Hua Hin.

An assessment is divided into three main topics of evaluation as follows:

1. Satisfaction with brand image and brand confidence

It was found that residents are satisfied with the products and services. They expressed their willingness to recommend Proud Real Estate projects to their acquaintances. They received sufficient information to make a purchase decision and show a tendency to buy another project from Proud real estate in the future.

2. Satisfaction with the quality of products, including residential units and common areas

It was found that residents have a high level of satisfaction with the products. However, based on the assessment results, residents also identified some deficiencies that require further improvement.

3. Satisfaction with the service provided by the staff and personnel managing the project

It was found that residents are satisfied with the service, especially in terms of the staff's interpersonal skills and professionalism. The second highest satisfaction was the quick response to residents' requests, and the final point was the feeling of safety while living within the project.

The feedback provided reflects the high level of satisfaction among residents who have experienced living in projects developed by Proud Real Estate. Their feedback is valuable as they serve as insights for continuous improvement and growth.

	Attention to service	Efficiency in service	Activities	Impacts from residents
Compliments received in 2023	16	6	10	2

	Services from staff	Cleanliness	Corporate space management	Construction quality	Repair quality	Safety
Complaints received in 2023	4	5	7	15	2	2

	2023 Goals	2023 Outcomes
Customer satisfaction rating towards the Company	More than 4 points or 80%	81%
Customer complaints resolved within 2023	>90%	100%

The top 3 areas that received the highest compliments include:

- 1.Attentiveness in providing services
- 2.Event organization
- 3.Promptness in providing services

The top 3 areas that received the highest number of complaints include:

- 1.Construction quality
- 2. Management of the area by the condominium juristic person
- 3.Cleanliness

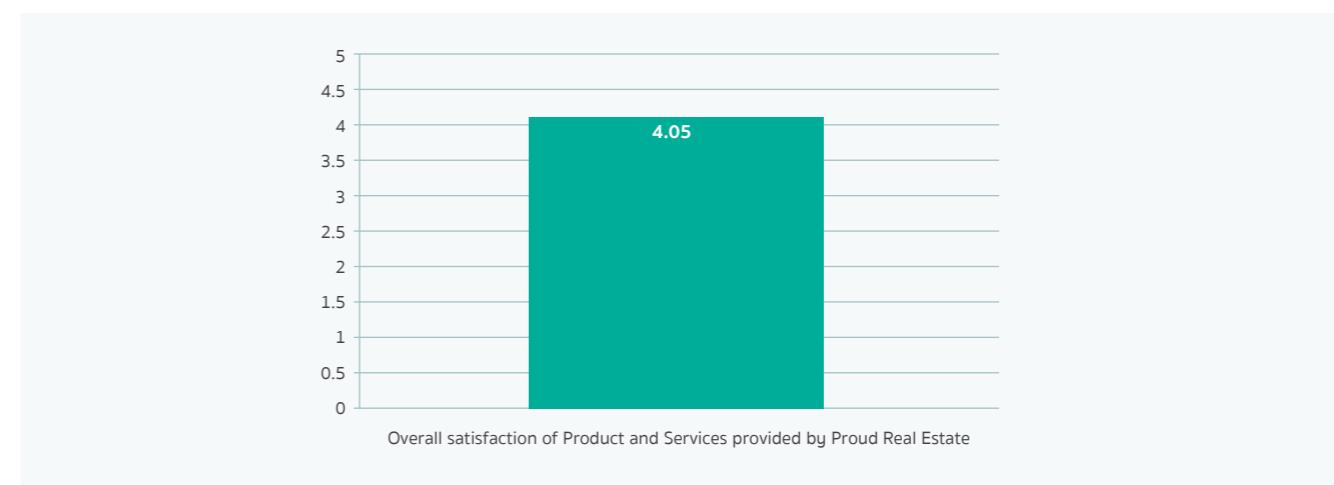
Example cases that received complaints, operations, and results of the operations are as follows:

Complaint	Resolution	Outcome
A customer informed the concierge team about the foot wash basin near the beach pool not draining properly.	The concierge coordinated with the building technician to inspect and resolve the issue initially. Then, the building technician coordinated with the after-sales service officer because the issue was still under warranty. The after-sales service officer contacted the contractor to find ways to prevent the problem from recurring in the future. They needed to adjust the slope and increase the size of the service openings to make daily maintenance more convenient for the building technicians. Additionally, they increased inspections and weekly cleaning to prevent sand from clogging the drainage pipes.	Water no longer overflowed onto the sidewalk, eliminating disturbances the residents.

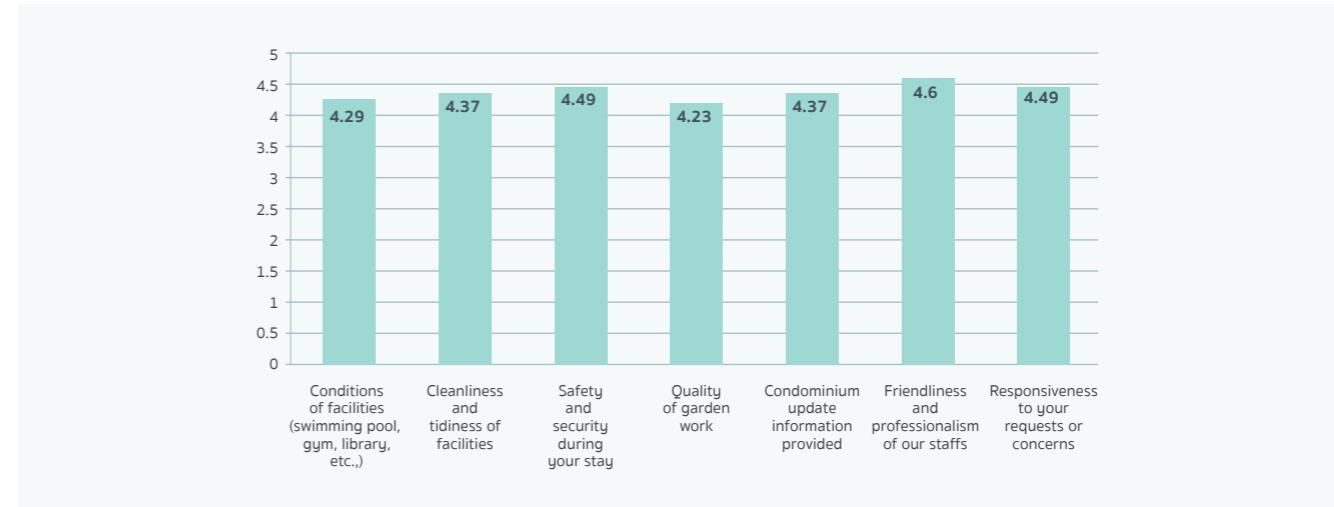
Resident satisfaction of the InterContinental Residences Hua Hin project

In 2023, the Company established a customer satisfaction target derived from survey outcomes, striving to attain a satisfaction rating of no less than 4 points or 80%. Issues and recommendations were addressed during the company's executive meeting to deliberate on enhancements to the Company's products, services, and operational procedures. The survey results indicated that customer satisfaction reached 4.05 points or 81%. Nonetheless, the Company intends to persist in fostering strong customer relationships, meeting customer expectations, and enhancing the efficacy of the complaint resolution process to further elevate satisfaction with its products and services.

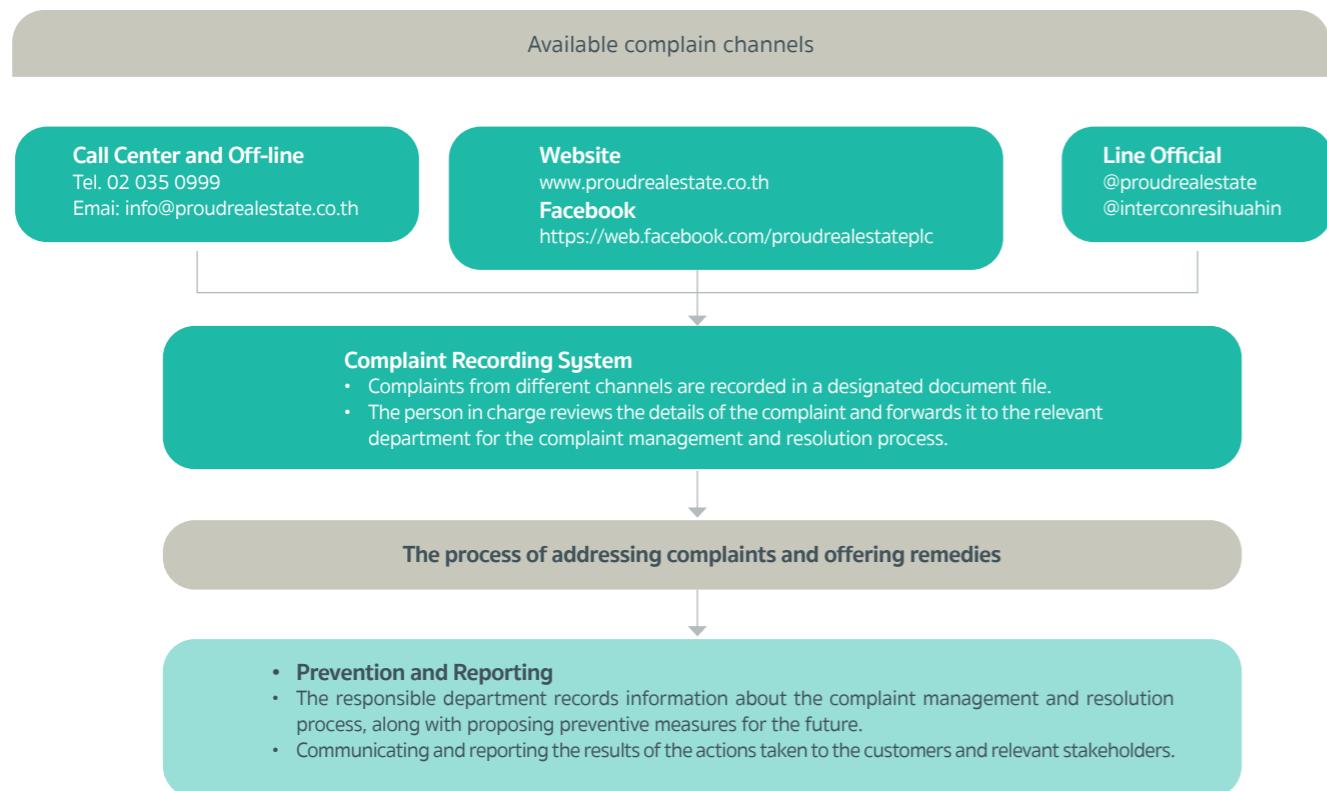
The Graph of Overall Satisfaction for Products and Services



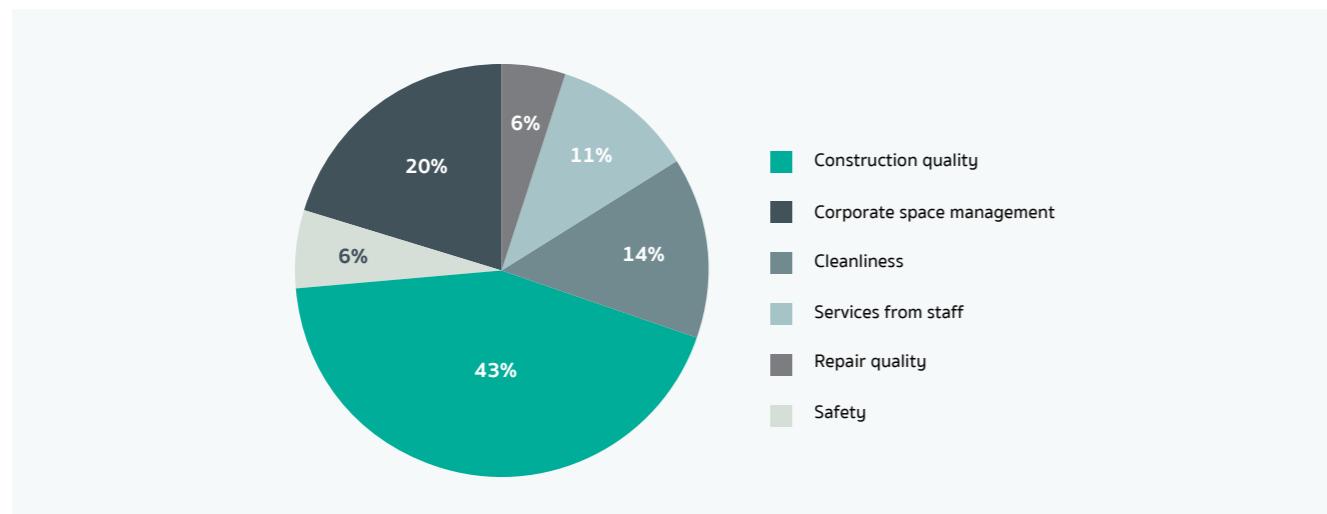
Satisfaction for each aspect related to residential living at the project



Complaint Handling Management



The proportion of customer complaint types in 2023 for the Intercontinental Residence Resort Hua Hin project



In 2023, the company received a total of 35 complaints, with construction quality being the most significant concern, accounting for 43% (15 complaints) of the total. The management of common areas by the condominium juristic person followed, representing 20% (7 complaints) of the total. The remaining complaints were divided among other categories, accounting for 14%, 11%, and 6% of the total complaints, respectively. The company demonstrated its commitment to customer satisfaction by addressing and resolving all complaints, achieving a 100% resolution rate and communicating the outcomes back to the customers.

CUSTOMER RELATION MANAGEMENT (CRM)

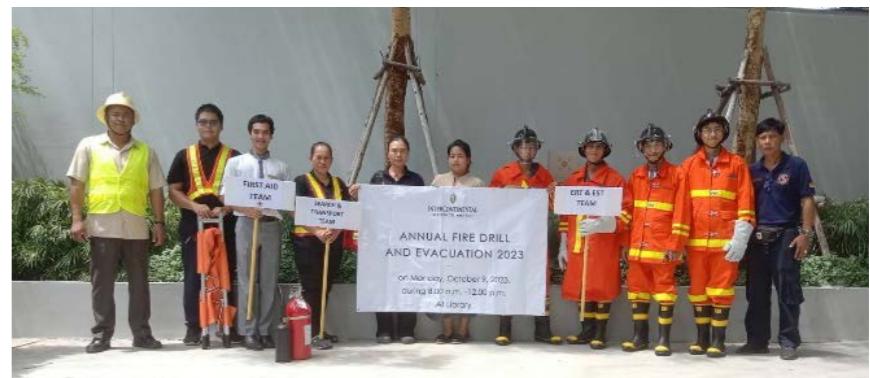
The customer relationship management (CRM) department and the juristic person management of the project have organized various activities to build good relationships with customers. They prioritized all groups of people and selected activities that are suitable for all genders, ages, and age groups. At the same time, these activities helped promote the surrounding community, society, and environment of the project, as follows:

Activities	Numbers of Activities
The Annual General Meeting of Joint Owners for 2022 by InterContinental Residences Hua Hin project holds	1 time
A meeting of the Condominium Juristic Person Committee by InterContinental Residences Hua Hin project	6 times
An Intercontinental Residences Hua Hin Gathering Day	1 time
Annual fire evacuation drill	1 time
Monthly progress report	12 times
PROUD PRIVILEGES: Special privileges for residents	Thorough the year

An Intercontinental Residences Hua Hin Gathering Day on



Annual fire evacuation drill 2023



Beach cleanup activity



Monthly progress report

Maintenance and Prevention System Planning

Ensure the maintenance of building engineering and architectural work systems in optimal condition through preventive management planning. This approach aids in reducing long-term expenses by addressing issues before they occur.

Preventive Maintenance Planning Calendar 2023												
Service	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
ELECTRICAL	1	2	3	4	1	2	3	4	1	2	3	4
Transformer & Ring Main (By Supplier)						45E						45E
MDB & BG-100 (By Supplier)						45E						45E
Generator Machine (By Supplier)						45E						45E
ELEVATOR												
Service Elevator (By Supplier)	M	M	M	M	M	M	M	M	M	M	M	M
Air Condition System (Common Area)						45E						45E
FCU Maintenance						45E						45E
FCU Maintenance						45E						45E
Filter Cleaning	M	M	M	M	M	M	M	M	M	M	M	M
Refrigeration System												
ICE Maker Machine	35E											
Ventilation System												
Make Up Fan Motor		35E										
Exhaust Fan Motor		35E										
Fire & Life Safety System												
Fire Alarm System	M	M	M	M	M	M	M	M	M	M	M	M
AV System												
MATV System (Common Area)			35E									
Water & Waste Water System												
Transfer Pump	M	M	M	M	M	M	M	M	M	M	M	M
Booster Pump	M	M	M	M	M	M	M	M	M	M	M	M
Water Water Treatment Pump			35E									
Swimming Pool Pump	M	M	M	M	M	M	M	M	M	M	M	M
Submersible Pump		35E										
Water Filter & Drinking Water Dispenser	35E											
CCTV System												
CCTV System		35E										
Access Control System												
Access Control System	35E											
Wooden Furniture Paint												
Wooden Furniture Paint						45E						45E

M Every Month 35E Every 3 Month 45E Every 4 Month

Kid pool floor inspection



swimming pool system inspection



repairing and repainting beach chairs



1.



Prepare environmental impact assessment reports two times/year.

The report is conducted free of charge, with the aim of raising awareness of environmental impacts across all sectors.

2.



Pay attention to the wastewater treatment system.

The system is built in compliance with the Pollution Control Department's standards before discharging wastewater into the public system.

3.



Record the daily consumption amount of electricity and water.

Records are maintained to monitor abnormal consumption and establish efficient energy consumption improvement.

Power Consumption Record												
Date	On Peak	Unit	Off-Peak	Unit	Electricity	Unit	Holiday	Unit	Electricity	DM Charge	FT	Temp
30/09/2023	117,63	1,520	4,580	61,41	286	521	47,52	1,000	2,604	0.042	1,819,408	31°C
01/10/2023	117,63	0	0	61,41	0	0	48,16	2,590	6,605	0.000	1,712,384	29°C
02/10/2023	117,66	126	502	61,60	766	1,979	48,60	1,796	4,983	0.075	1,753,946	31°C
03/10/2023	118,21	2,200	9,285	61,82	846	2,291	48,60	0	0	0.076	2,006,712	31°C
04/10/2023	118,39	726	3,012	62,01	966	2,200	48,60	0	0	0.020	1,323,772	30°C
05/10/2023	118,83	1,760	7,564	62,32	1,049	2,708	48,60	0	0	0.079	1,872,920	30°C
06/10/2023	119,19	1,640	6,025	62,56	1,080	2,812	48,60	0	0	0.079	1,804,628	31°C
07/10/2023	119,23	1,640	6,025	62,68	286	521	48,14	960	2,500	0.079	1,794,628	30°C
08/10/2023	119,55	0	0	62,68	0	0	49,29	2,000	7,611	0.079	2,006,700	32°C
09/10/2023	119,71	646	7,676	63,84	898	2,083	49,66	1,446	3,653	0.079	1,951,188	32°C
10/10/2023	120,08	1,600	6,192	63,95	976	2,369	49,66	0	0	0.079	1,601,360	32°C
11/10/2023	120,50	1,600	7,259	63,23	646	1,666	49,56	0	0	0.020	1,551,848	31°C
12/10/2023	120,82	1,280	5,313	63,51	1,129	1,246	49,66	0	0	0.079	1,601,349	31°C
13/10/2023	121,00	726	3,012	63,56	286	521	49,16	890	2,291	0.079	1,204,820	28°C
14/10/2023	121,00	0	0	63,56	0	0	49,62	2,996	7,397	0.079	1,976,944	30°C
15/10/2023	121,00	0	0	63,56	0	0	49,67	3,006	7,411	0.079	2,006,700	29°C
16/10/2023	121,02	90	315	63,71	766	1,979	62,15	1,926	4,999	0.079	1,846,164	31°C
17/10/2023	121,62	2,400	30,041	63,99	966	2,400	62,15	0	0	0.079	2,247,564	30°C
18/10/2023	121,74	446	2,098	64,21	898	2,291	62,15	0	0	0.079	869,708	29°C
19/10/2023	122,13	1,560	6,527	64,41	898	2,269	62,15	0	0	0.079	1,632,116	31°C
20/10/2023	122,50	1,600	6,192	64,66	976	2,369	62,15	0	0	0.079	1,601,360	30°C
21/10/2023	122,90	1,600	6,094	64,71	286	521	92,14	766	1,479	0.049	1,712,384	29°C

Record the daily consumption amount of electricity and water.

Records are maintained to monitor abnormal consumption and establish efficient energy consumption improvement.

To increase efficiency in energy consumption monitoring process

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PROUD PRIVILEGE

Residents of Proud Real Estate will receive special privileges as part of the promise of 'More Than Just Living,' which transcend life beyond living. Throughout the year, collaborations with various business partners have been created to design these exclusive benefits specifically for the residents.

Proud Privilege

Exclusive Proud Privilege for residents with luxury product and service partners which cater to all aspects of living



MORE PRIVILEGES WILL BE PROVIDED

In addition, the Local Aroi project was developed. The activity offered local eateries near the project which allowed residents to experience special culinary delights from the community. This initiative also contributed to the community's income, as shown below.



Activities with customers for community and social development

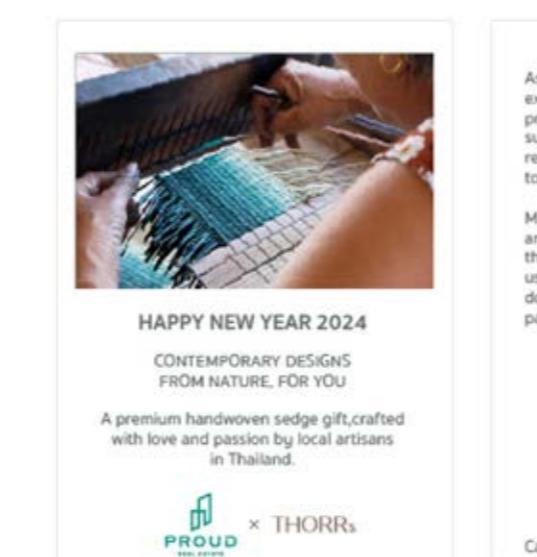
The Company believes that a good community and society will lead to sustainable development. In 2023, the Company supported various activities to promote better quality of life in society and communities, without discrimination between communities directly affected by the company's production processes and services, and those that are not.

Gift to Give

At the end of 2023, the Company delivered 49 gifts worth 89,050 baht to customers and business partners as a token of gratitude. The Company passed on its good intentions in two ways. Firstly, the gifts were selected from local handicrafts to support the villagers in Amnat Charoen Province (woven glass and plate coasters) and Chiang Rai Province (earthenware cups). Secondly, inside the gift box, there was a card providing details about the origin and value of the gift. The card also included a QR code that allowed the recipient to choose a foundation they would like the company to donate to. The selected foundations were based on the key issues of the Sustainable Development Goals (SDGs), focusing on Thailand's sustainability problems in 2023. The Company will collect the donation preferences and make the contributions in 2024.



An image of a gift box supporting products of Thai wisdom (OTOP)



A card with details of the objectives of community support and donation invitation

Employee Care, Development and Retention



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>Inefficient human resources management or inconsistent respect for employees' rights, particularly in terms of equality and fair treatment, can lead to the loss of skilled and competent workers. This, in turn, may jeopardize business continuity or competitiveness.</p> <p>Moreover, without implementing processes to develop and enhance employees' skills, knowledge, and abilities, the Company may struggle to adapt to the rapidly evolving business landscape and shifting customer needs. Failure to keep pace with these changes can result in missed business opportunities and an inability to deliver products and services that meet customer expectations and demands. To mitigate these risks, it is crucial for the Company to prioritize effective human resources management, foster a culture of respect and equality, and invest in employee development initiatives. By doing so, the organization can retain top talent, maintain business continuity, and remain competitive in an ever-changing market.</p>	<p>Effective human resources management, equal employee treatment, protection and respect for employees' rights, and appropriate employee development to adapt to current changes may result in happy and efficient work and more engagement with the Company. Moreover, work quality is improved, which leads to better-quality products and services from the Company. Ultimately, the Company is driven with a vital force towards its goals and sustainable growth.</p>
2023 Goal	2023 Outcome
Employee engagement score towards the organization	>80
	84%



Management Guideline

The PROUD culture regards every success as a collective effort, emphasizing the importance of teamwork. The organization harnesses every employee's knowledge and abilities to achieve common goals, which involve embracing new perspectives, adopting result-oriented approaches, fostering thought process changes, and adapting strategies as needed. The Company prioritizes outcomes and devises strategies to achieve its objectives accordingly. Strategy planning and human resource plan monitoring are conducted by establishing guidelines for employee care that align with regulations, rules, and laws, including human rights principles. The Company treats all employees equally and fairly, protecting and respecting their rights while ensuring that channels for complaints are readily available. The purpose of the complaint channel is to listen to feedback, address issues, and understand expectations from all employees, enabling continuous improvement in human resource management.

The Company places great emphasis on efficient human resource management, which encompasses recruitment processes, employee care and retention, and employee development. By prioritizing these aspects, the Company aims to meet the needs and expectations of its employees, fostering a strong sense of commitment and loyalty to the organization. Emphasizing holistic employee care, including both physical and mental well-being, ensures that employees maintain good physical health, experience satisfaction in their work, and enjoy a high quality of life. This approach enables employees to perform their responsibilities effectively and grow alongside the company, ultimately contributing to sustainable long-term business success.

Recruitment and Employment

The company's recruitment and employment practices target candidates with appropriate qualifications and potential for growth, aiming to collectively propel the organization forward in alignment with its strategies. Additionally, the company promotes a culture of diversity in recruitment and employment, rejecting any restrictions based on factors such as race, nationality, religion, gender, age, education, physical attributes, social status, or backgrounds and origins.

The Company recruited individuals with suitable qualifications from both internal company staff and external candidates. The recruitment adhered to principles of fairness, equality, and transparency, without discrimination. In 2023, the Company aimed to achieve a successful recruitment and employment rate of at least 70% according to plan, with strategies and performance results as follows:

Strategies	Outcomes
1. Develop manpower planning and define competency to ensure that capabilities align with the corporate culture.	The Company has guidelines for recruitment that align with the corporate culture. Every candidate will have the opportunity to discuss and interview to assess compatibility with the corporate culture.
2. Create a positive image through online media to attract new generations.	The Company has expanded communication channels through online media such as Facebook and job search and recruitment website to create a positive image and reach out to new generations more effectively.
3. Encourage cross-function work among employees to enhance employees' competency and allow employees to work in suitable fields.	The Company has provided opportunities for employees to work in additional fields of interest from their current positions, with a designated timeframe of 6 months. The opportunity enables employees to expand their competencies based on their interests and to learn about other departments within the Company. In 2023, one employee was transferred to another department within the Company.

In 2023, the Company had 26 open positions and successfully recruited and hired new employees for 22 of these positions, achieving a success rate of 84.6%. As of December 31, 2023, the total number of employees in the Company was 65.

Strategies	2022	2023
The total number of employees (Persons)	57	65
The number of new employees (Persons)	41	43
Recruitment rate (Positions)	23	26
The success rate of hiring according to plan (percentage) (Target)	70	84

Welfare Provision and Employee Care

The Company prioritizes the workplace environment, beneficial conditions for work, and employees' commuting convenience, which enhances productivity and efficiency. To achieve this, the Company has selected the location of its office building at One City Centre, a newly constructed facility equipped with modern amenities and advanced technology. Located in the heart of Bangkok, the office is directly connected to Phloen Chit BTS Skytrain station. As a result, employees can conveniently commute to and from work, which saves time and avoids traffic issues on the roads. Additionally, carbon dioxide emissions, greenhouse gases, and the risk of accidents associated with commuting are also reduced. Additionally, the building boasts 24-hour security systems for enhanced safety. The front and surrounding areas of the building are adorned with trees and natural elements, creating a welcoming public space where individuals can relax throughout the day.

The office interior boasts a beautiful design, providing a serene and well-lit environment flooded with ample natural light. Featuring walls made of clear glass, the office offers panoramic views of the surroundings, fostering a visually appealing and comforting atmosphere conducive to productivity. Furthermore, employees have the freedom to choose their workstations across the office according to their preferences and requirements. Therefore, the office's location offers distinct advantages in meeting the needs of potential candidates.

The office interior



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The Company's working system offers flexible hours, which allows employees to manage and control their work hours independently. In line with the current trends, the Company supports hybrid work practices, where meetings can be conducted online. This arrangement allows employees the freedom to work from home, eliminating the need for morning rushes and enabling them to allocate personal time for family and pets during traditional business hours. Furthermore, employees have the flexibility to work from any location, facilitating a change in their work environment while reducing commuting expenses, exposure to pollutants, and minimizing energy consumption and resource utilization within the office.



The Company places a strong emphasis on employee health and sanitation and provides essential welfare facilities accessible to all staff members. These include clean drinking water and water filtration systems that adhere to the National Sanitation Foundation (NSF) quality certification standards. The filtration systems undergo cleaning every two months, with filter replacements scheduled every four months. Furthermore, air purifiers are strategically installed throughout the premises to eliminate dust and indoor pathogens, thereby reducing illness rates and the transmission of diseases within the office environment. Additionally, the central clinic is equipped to provide basic medical treatment, with dedicated medical personnel stationed within the building. To further support unwell employees, the Company offers a fever visit service and delivers care packages to those recovering at hospitals or at home as a way to reflect a commitment to encouragement and support during times of illness.

The Company provides additional welfare and benefits beyond statutory requirements to all employees without discrimination by considering the appropriateness of duties and responsibilities. Health benefits include group insurance, health insurance, accident insurance, dental care, annual health check-ups, and basic vaccines. According to the healthcare treatment statistics of employees in 2023 (data referenced from FWD Insurance Public Company Limited), it was found that:



Employees who received outpatient (OPD) medical treatment
Employees who received inpatient (IPD) medical treatment
Employees who received dental care

Average rate: 58.3%
Average rate: 37%
Average rate: 4.7%

The most top 3 diseases and symptoms are:
Rank 1: Respiratory system-related diseases, which include sinusitis and COVID-19
Rank 2: Gastrointestinal diseases, which include stomach and intestinal issues
Rank 3: Musculoskeletal pain, nerve, and bone pain

Average rate: 28.3%
Average rate: 25%
Average rate: 9%

In addition to prioritizing employees' physical health, the Company also takes into account their mental well-being. Accordingly, the Company offers a Mental Health and Lifestyle Assessment program for employees to evaluate their own mental health and receive guidance and counseling from private psychologists and psychiatrists. Based on the findings of the mental health assessment conducted in 2566 (data sourced from Health Plaza Co., Ltd.), it was revealed that:

Emotional Stability: Resilience to stress, mental toughness, stress management, emotional control

Employees	86.8%	are within normal range.
Employees	7.9%	are below normal range.
Employees	5.3%	are above normal range.

In 2024, the Company aims to enhance and promote for the physical and mental well-being of its employees, with the goal of promoting overall health and reducing the frequency of hospital visits compared to 2023. This objective will be realized through the implementation of various initiatives supporting health and mental well-being, including workshops, health talks, and counseling sessions.

Motivation: Hope, encouragement, and faith

Employees	81.6%	are within normal range.
Employees	10.5%	are above normal range.
Employees	7.9%	are below normal range.

Income welfare is a pivotal aspect of employees' lives, and the Company ensures their financial well-being through various provisions, including a provident fund, performance-based bonuses, various forms of financial aid, accommodation allowance, meal allowance, and travel allowance for employees working outside their home province according to Company criteria. Moreover, the Company recognizes the importance of family support structures and extends welfare benefits to employees' families, such as childbirth gifts, funeral assistance, funeral wreaths, and hosting funeral ceremonies in the unfortunate event of the passing of employees' parents, spouses, or children.

Problem-solving skills: Having a positive outlook on problems and having strategies to solve them

Employees	73.6%	are within normal range.
Employees	13.2%	are below normal range.
Employees	13.2%	are above normal range.

Stress assessment

Employees	52.6%	experience moderate levels of stress.
Employees	31.6%	experience low levels of stress.
Employees	10.5%	experience high levels of stress.
Employees	5.3%	experience the high levels of stress.

Provident Fund

The Company is committed to supporting employees in long-term financial planning, ensuring security for them and their families, and preparing for retirement. In accordance with the Provident Fund Act of 1987, the Company established a provident fund. In 2023, out of 65 employees, 33 were members of the fund, constituting 50.77% of all employees. To manage the provident fund, the Company appointed Kasikorn Asset Management Company Limited, registered as the K-Master Pooled Fund, allowing employees to diversify investment risks. Employees have the flexibility to choose their contribution rate and investment policies, ranging from 3-15%, according to their preferences. Additionally, the Company contributes an additional 5% of employees' monthly salaries to the fund, following established criteria, conditions, and fund regulations. Furthermore, the Company invites financial experts to provide employees with knowledge about the economy, investments, and tax benefits.

The Company has established a Welfare Committee, which is democratically elected by all employees and comprises 7 representatives from the employer side. The committee holds regular meetings every 3 months to oversee and promote the quality of life of employees. Additionally, the committee serves as the Company's representative to listen to employees' feedback, suggestions, and complaints, which aims to address and manage welfare matters. The resolution process aims to achieve maximum benefits, which leads to efficient operations that contribute to the Company's sustainability.

Employee Care During COVID-19 Pandemic

The Company prioritized employees' well-being and safety, which reduced the infection risk during the COVID-19 pandemic. The situation gradually improved and was declared an endemic disease. Nevertheless, in 2023, the Company continued to support employee health and safety by:

1. Technology utilization promotion: In 2023, the Company adjusted its work policy to flexible time to reduce risks and provide flexibility to employees. Online systems were utilized for work, which resulted in smooth operations, reduced office attendance, and ensured satisfaction for both employees and customers.
2. Employee safety and welfare: The Company supported personal protective equipment such as temperature measurement devices, face masks, hand sanitizers, and rapid antigen test kits for employees.
3. Communication: The Company regularly conducted online employee meetings to communicate important prevention measures and provide regular updates and information about the disease.

Employee Performance Evaluation and Progression

Performance evaluation within the company is conducted with fairness, transparency, clarity, and widespread acceptance as guiding principles. To achieve this, the Company has implemented a Performance Management System (PMS) and defined Key Performance Indicators (KPIs) to delineate clear work objectives. These tools are utilized to evaluate both performance and potential, aligning with remuneration criteria, thereby enabling employees to discern a clear path for career advancement.

The Company offers employees an opportunity to collaborate with their supervisors in setting their own work plans and performance indicators to align with departmental and corporate goals (Corporate KPIs). An annual performance evaluation system has been established, scheduled for the year's end, providing an opportunity for both managers and employees to engage in constructive dialogue aimed at enhancing work efficiency. This approach serves as a pivotal mechanism in achieving the Company's objectives and cultivating positive relationships between supervisors and employees, ultimately fostering organizational commitment. In 2023, the Company conducted performance evaluations encompassing all employees and managers across the organization (100%), divided into three parts:

1. Performance evaluations with Key Performance Indicators (KPIs) are employed as a driving mechanism in the performance management process, with mutually defined goals between employees and supervisors.
2. Evaluation of work behavior demonstrated through shared organizational competencies, which are the core competencies of the Company and are expected behaviors. The Company believes that, in order to achieve vision, mission, and strategies, employees must exhibit these common competencies.
3. A career progression evaluation considers the strengths and areas for improvement of employees. The evaluation includes developing employee development plans for 1-3 years that are mutually agreed upon between employees and supervisors.

The Company acknowledges the significance of providing care and retaining competent employees, as they are vital for fostering sustainable growth. Hereby, the Company strives to maintain fairness in performance-based compensation, offer suitable benefits, and recognize high achievers. These efforts aim to both attract and retain key personnel and develop them into future leaders. Additionally, the Company conducts annual surveys on wages and benefits to benchmark against comparable industries, ensuring that remuneration meets employee requirements and remains competitive in the market. This initiative aims to continually attract skilled individuals or talent pools to join the Company.

Performance Evaluation and Remuneration of Senior Executives

The Company requires an annual performance evaluation for senior executives, which utilizes individual performance assessments to determine the annual remuneration for senior executives. Performance indicators are aligned with Corporate KPIs, which cover business, societal, and environmental aspects, reflecting the Company's sustainable development targets, which carry a weight of 70%. Senior executives in each department must manage the Company's objectives in various areas and effectively communicate them to subordinates to achieve ongoing sustainable goals. Performance evaluations also consider work behavior demonstrated through organizational core competencies, weighted at 30%.

Performance Evaluation and Remuneration of Chief Executive Officer

The Nomination and Remuneration Committee is responsible for assessing the performance and remuneration of the chief executive officer. Performance indicators are mutually agreed upon between the Company's board and the CEO, which cover operational activities to achieve business goals alongside social and environmental objectives. Regarding remuneration, a survey is conducted on salary adjustments and remuneration for executives from other companies in the same industry. Additionally, the Nomination and Remuneration Committee's recommendations are proposed to the board for further consideration and approval.

Employee Development

The Company is dedicated to cultivating high-quality employees to enhance competitiveness and sustainable growth. Therefore, the Company prioritizes employee development in all aspects, at every level, and at all stages of employment. Employee development is designed to align with the organization's culture, which fosters professionalism and efficiency in job performance and management. Employees are encouraged to develop new skills and knowledge to adapt to the changes and challenges of the business environment, both present and future. Additionally, employees are encouraged to apply their acquired knowledge to improve company processes and operations effectively.

Therefore, the Company has determined strategies for human resources management in every process, from recruitment and employee selection to performance management, employee development, leadership development, employee retention, and career progression.

For employee development, the Company provides both training courses for new employees and existing employees. New employees undergo the PROUD Onboarding Program to learn about the organization's work culture, which ensures their quick adaptation and integration into the Company's corporate culture. This program also helps gain a deeper understanding of the business and its roles. As for existing employees, the Company focuses on development and learning through hands-on work experience.

New employees undergo the PROUD Onboarding Program to learn about the organization's work culture.



The Company recognizes the significance of developing employees' potential, knowledge, and ability across various professions and positions to prepare for future business opportunities and challenges. To this end, the Company has developed Core Competencies. The senior management is expected to serve as role models for employees, and internal speakers are assigned to share knowledge with colleagues and all new employees (100%). Additionally, the Company has implemented a Leadership Competency project, which aims to create future leaders and identify highly skilled employees to promote employee advancement and reduce the Company's risk of talent shortages. This approach allows the Company to expand its business according to its plans.



In the rapidly changing business and technology landscape, which includes the challenges of the New Normal digital era. The Company should be aware of diverse learning formats that cater to both the lifestyles of modern individuals and the challenges posed by the COVID-19 pandemic. In 2023, the Company focused on developing its personnel through online and offline training courses, as follows:

- Leading in a Disruptive World Field Trip (Training and Development): A program designed for executives to enhance employee and organizational competencies, equipping them to navigate and capitalize on rapidly evolving global business landscapes.
- Update TFRS&TAS for Accountants 2023 (Online): An online training session for the accounting and finance department to bolster their understanding and consolidate key insights regarding the updated financial reporting standards effective in 2023.
- Data Protection Officer (DPO) Hands-on Workshop, 2nd Batch: An interactive workshop for Data Protection Officers to enhance their proficiency in managing personal data, conducting impact assessments, mitigating personal data risks, and ensuring alignment of internal operations with the Personal Data Protection Act (PDPA).
- Responsibilities of Accountants and Accounting Standards Compliance (Online): An online course for employees engaged in financial statement preparation, aimed at enhancing their ability to apply knowledge effectively in their work, minimize errors, and improve overall proficiency.
- Personal Data Protection Level 1 (Training and Exam Level 1) (online): An online program designed to cultivate foundational knowledge and comprehension of personal data protection principles under the Personal Data Protection Act (PDPA).
- Mid-Year 2023 Real Estate Market Direction: A session designed for sales and marketing departments to gain insights into real estate business trends for the latter half of the year, based on AREA survey results.
- The SEAC HR Club - Elevating People Leadership: A program aimed at acquiring new knowledge and strategic planning tools for HR management, facilitating systematic improvement and development of human resources in alignment with the current working environment.
- Company Secretary Forum on the Role of Company Secretaries in Driving ESG: A forum dedicated to enhancing understanding and effective oversight of Environmental, Social, and Governance (ESG) issues.
- Adman Awards & Symposium 2023: An event aimed at enriching knowledge in the field of marketing and advertising.
- Software Course Training (SAP, CM, and REM): A training program designed to equip employees with the skills necessary to effectively utilize software in alignment with business operations, maximizing its benefits.
- Personal Data Protection Level 1 (Training and Exam Repair Level 1) (Online): An online program aimed at fostering fundamental knowledge and understanding of personal data under the Personal Data Protection Act (PDPA).
- Make-up and Hair Styling Workshop: An event tailored for the sales department to enhance and promote the appropriate external appearance of sales staff, contributing to a positive organizational image.



All employees were developed core competencies by chief executive officer and lecturer (100%)

Employee development through various training programs.



Rising Star Project

The Company has launched the Rising Star Project with the aim of identifying employees who demonstrate high potential and competencies in their work. This initiative seeks to plan employee development and groom new leaders to support business expansion and ensure sustainable growth in the future. The Company has established selection criteria aligned with its business strategy, comprising five key factors to assess and screen potential future leaders.



The Company has identified Rising Stars from targeted groups, including mid-level to upper-level management employees and key business positions. The selection process involved a 360-degree assessment method, assessing job performance and screening by the management committee, with a yearly target of 2 individuals. The Rising Stars employee group will be integrated into individual development plans and career path planning, prioritizing them for succession into higher positions.

Succession Plan

For business continuity and in preparation for expansion, the Company has been proactive in recruiting and nurturing successors for managerial positions, especially in key roles held by individuals approaching retirement or in other high-risk positions that could potentially disrupt business operations. The Company prioritizes internal recruitment methods over external hires, aiming to provide ample opportunities for growth and career advancement to high-performing employees with proven track records.

In addition to fostering core competencies in work performance, the Company has delineated leadership competencies to nurture emerging leaders. In 2023, a succession plan was initiated, comprising a list of successors for 15% of senior executive positions, predominantly selected from high-potential individuals within the Company. This initiative seeks to establish a structured succession plan for future leaders or managerial roles within the organization, serving to fill positions vacated by executives expected to retire within the next 1-3 years.

In 2023, the Company promoted and supported training activities in both offline and online formats to provide employees with opportunities for self-development. This initiative aimed to encourage employees to develop and transfer their skills and knowledge to other personnel within the Company. Additionally, training helped enhance the overall efficiency of the organization. Employees were able to explore and choose training courses according to their objectives and suitability, which ensures alignment with the organization's goals and the employees' needs.

Employee Engagement

The Company conducts regular employee feedback surveys annually to gather input, suggestions, and complaints. Resolutions are made by the human resources department.

The Company communicates the results of the employee engagement survey to employees and reports on the progress of addressing various issues from the previous year. Communication is done through employee representatives of the welfare committee to develop projects and improve employee care.

In 2023, the organization achieved an average employee engagement score of 84%, exceeding the set target of 80%. Furthermore, employees expressed urgent suggestions for development, including the establishment of a clear career path to retain talented individuals and adjustments to the salary structure to better align with the current situation. The Company promptly addressed these suggestions, with the HR department acknowledging and preparing a plan for 2024 to tackle these issues head-on.



The organization achieved an average employee engagement score of

84%

exceeding the set target of 80%

Building a Safe Society



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>The Company's real estate development projects interface with public spaces within local communities. As a result, these projects carry inherent risks of accidents and emergencies, including traffic collisions, fires, and falling debris. Such incidents can have severe consequences for stakeholders like employees, contractors, customers, and neighboring residents. Moreover, accidents or emergencies occurring on construction sites could potentially lead to loss of life or property damage, which would directly undermine stakeholders' confidence in the company.</p>	<p>Management's dedication to ensuring secure construction projects instills confidence in customers regarding the Company's sustained business operations. To that end, they have implemented comprehensive plans for various emergency scenarios, employed skilled personnel, and established systems to monitor and manage risk prevention measures. Consequently, surrounding communities gain confidence in the Company's ability to address and mitigate various types of risks, including fostering a secure environment and minimizing the social impacts of their business activities.</p>

2023 Goal	2023 Outcome
0	0





Management Guideline

The Company is committed to fostering a secure environment within its project sites as well as the surrounding areas of construction projects. This is achieved by prioritizing compliance with relevant laws, ensuring the availability of equipment and trained personnel to effectively respond to various emergency situations, and organizing safety promotion activities for employees, customers, contractors, and neighboring communities. These practices aim to raise safety awareness and understanding, cultivate a collective commitment to a safer society, and instill confidence among surrounding communities regarding the Company's operations.

The Company has policies on safety, occupational health, and the workplace environment. Standard practices for safety and occupational health require employees, customers, and contractors who work within the Company's premises to comply with relevant regulations, requirements, and laws. The laws include the Labor Protection Act B.E. 2541 (1998) and the Occupational Safety, Health, and Environment Act B.E. 2554 (2011), as well as international standards adopted for area management such as ISO 14001:2015. Regular risk assessments on workplace safety and analyses of the effectiveness of occupational health and safety control measures are conducted.

Occupational Health and Safety of Employees

The Company places utmost importance on employees' compliance with relevant laws and cultivates a culture of occupational health and safety among managers and staff at all levels through its comprehensive occupational health and safety policies. A key objective is to minimize the Lost Time Injury Frequency Rate (LTIFR).

In order to achieve this goal, the Company has organized activities to promote occupational health and safety in the workplace, as well as to promote health among the Company's employees, as follows:

1. Occupational Health and Safety Risk Assessment

The Company mandates that every department identifies potential hazards or health risks to workers. Supervisors and employees jointly assess the risks related to occupational health and safety for their respective activities. Furthermore, they must specify control measures to mitigate these risks, as well as conduct annual reviews to reassess them.

2. Reporting and Investigating Unusual Incident or Accident

In the event of an accident or abnormal incident occurring during work operations, the Company requires employees involved or their supervisors to promptly report the situation to their immediate supervisor, the designated safety officer, and the project manager. Subsequent to such reports, the Company will initiate an investigation process to jointly determine the root cause alongside the impacted parties. Based on the findings, additional preventive measures will be established to mitigate the risk of similar incidents reoccurring.

3. Employee Health Promotion

The Company conducts comprehensive environmental assessments of workplace conditions, evaluating specific risk factors present in each area, such as air quality, lighting levels, and noise exposure. Stemming from these assessments, necessary improvements are promptly implemented to ensure adherence to established standards and requirements for the tasks being performed. Through this process, the Company assures all workers of a suitable and safe working environment that does not pose risks detrimental to their health.

4. Employee Occupational Health and Safety training

The Company organizes basic fire extinguisher training and fire evacuation drills annually to ensure that all employees are prepared to handle emergencies and learn essential skills for basic firefighting. Proper conduct for safety during fire incidents is emphasized, along with recording training data, assessing evacuation timeframes, evaluating communication effectiveness during emergencies, and providing participating employees with training summaries.

In 2023, none of the Company's employees suffered injuries from work to the extent that it resulted in work cessation. As a result, the Lost Time Injury Frequency Rate (LTIFR) of the employees was 0.

Occupational Safety of Contractor

The Company prioritizes the occupational health and safety of contractors who work within the construction project areas. Consequently, the Company has communicated its policies regarding occupational health and safety, which include guidelines for various measures related to their work operations, to contractors through meetings. Contractors are instructed to adhere strictly to labor laws and occupational health and safety regulations. However, if there is a severe injury resulting in work cessation, contractors, under the supervision of the Company, must promptly notify the Company of the incident.

In 2023, the Company conducted a risk assessment regarding the safety of work for partners and contractors, which covered adherence to standards and the occupational health and safety of the employees. From the operations conducted in 2023, no incidents resulting in work cessation or fatalities among the contractors' employees were found. As a result, the Lost Time Injury Frequency Rate (LTIFR) of the contractor employees who work within the company's premises was 0.

Weekly Safety Talk



The installation of mandatory signs for the use of personal protective equipment within the project area.



Community and Social Development



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>The development and growth of real estate projects can have both positive and negative impacts on local communities. These impacts involve economic, environmental, and safety factors that directly influence the health and quality of life of the people in the area. If the surrounding communities or project customers are not adequately cared for and protected from the adverse effects of the company's operations, there is a risk of damaging the relationships between them. This fallout could lead to conflicts with the community and resistance to the company's future business expansion. Consequently, these consequences may affect investor confidence and decision-making.</p>	<p>The Company aims to develop communities in various dimensions that strive for community safety and an improved quality of life. The approach contributes to community acceptance and builds confidence among all stakeholders, which enables the Company to conduct business smoothly going forward.</p>

2023 Goal	2023 Outcome
At least 2 community development projects	2



Management Guideline

Guided by the philosophy of "More Than Just Living," the Company is committed to achieving business growth alongside sustainable community and social development. To this end, it has established guidelines that promote advancement in community and social development in different dimensions with an emphasis on collaboration among the Company, communities, and customers to drive impactful community initiatives. Additionally, the Company has aligned its community development objectives with the United Nations Sustainable Development Goals (SDGs).

The Company has established guidelines for community development efforts and focuses on building good relationships with local communities, which are key stakeholders. The approach aims to enhance understanding and trust in the Company's operations and provide opportunities for community members and other stakeholders in society to access the services provided by the Company. Additionally, the Company emphasizes the establishment of networks of collaboration among various stakeholders, such as customers, suppliers, and governmental organizations, to collectively develop the community and society.

Marketing Activities for Sustainability Promotion

According to the vision regarding responsibility in conducting sustainable activities in environmental, social, and economic dimensions and good corporate governance, the marketing department has planned to communicate and promote PROUD's projects through various media. Apart from generating sales, these activities also have a positive impact on the communities surrounding the project, as PROUD's projects, whether houses or condominiums, are parts of the community.

"Ari Cloth Swap:" A Secondhand Clothing Exchange Activity in the Ari Community

May 13, 2023,
at The Yard Bangkok

An activity was organized to exchange secondhand clothing within the Ari community as part of supporting environmental responsibility by maximizing the benefits of goods or resources. Through this self-exchange activity, the community also promoted learning about household waste management in collaboration with Oklin, a business partner of PROUD. Moreover, Oklin co-created environmental innovations for detached houses in the VI Ari project. Additionally, PROUD supported small businesses and entrepreneurs to increase their income by inviting them to participate in ongoing activities.



E-leng Run Mini Marathon Event

July 23, 2023,
at Pran Buri
Prachuap Khiri Khan

The Company supported the running event to use the proceeds gained after expenses deduction as the funds for creating a storybook, 'E-leng Keng Kong Wan Dee Dee Prachuap Khiri Khan.' The storybook is expected to serve as a medium to promote learning and instill values in the community's youth, which fosters love and care for their hometown. Additionally, a portion of the funds will also support academic skills competitions and invention contests for students at public schools in 2024.



A Life Retreat Exhibition

August 8 to September 22, 2023,
at the Romm Convent Project Sales Office

The Romm Convent Project organized a unique event to promote community involvement and relaxation with a fresh perspective. It included art displays and workshops inspired by nature to illustrate the idea of Luxury Wellness living, emphasizing the importance of both physical and mental health. Situated on Convent-Sathorn Road, the event showcased different ways for city residents to take a break and recharge.

The exhibition and activities consisted of 5 zones that could be accessed free of charge. Each zone offered a unique sensory experience, which includes visual, auditory, olfactory, gustatory, and tactile sensations, all reflecting the project's philosophy of retreat.



Health is The New Wealth

November 10, 2023,
at the Romm Convent Project sales office

The Company organized an event in collaboration with BNH Hospital to provide knowledge and information on health under the theme 'Holistic Care: Complete Care for All Generations.' At the event, a presentation was delivered by Dr. Krit Kuruchaiyapanich, Assistant Director of BNH Hospital, and an update on investment trends in the real estate sector was demonstrated by Mr. Chatthawan Wattanachot, a real estate investor and entrepreneur.



Glowing in Wellness Living

September 13, 2023,
at the Romm Convent Project

During the event, Ms. Proudputh Liptapanlop, Director of Proud Real Estate Public Company Limited, engaged in discussions with parents regarding Wellness Living Residences. Dr. Pornpimol Srisuphonvanij, a physician and hospital genetics consultant at BNH Hospital, also participated, sharing insights into comprehensive family healthcare and childcare to prevent seasonal epidemics. Additionally, a workshop on blending aromas, hosted by the brand Scent and Sense, invited families to explore the world of scents and their significance in creating ambiance and influencing both physical and mental health.

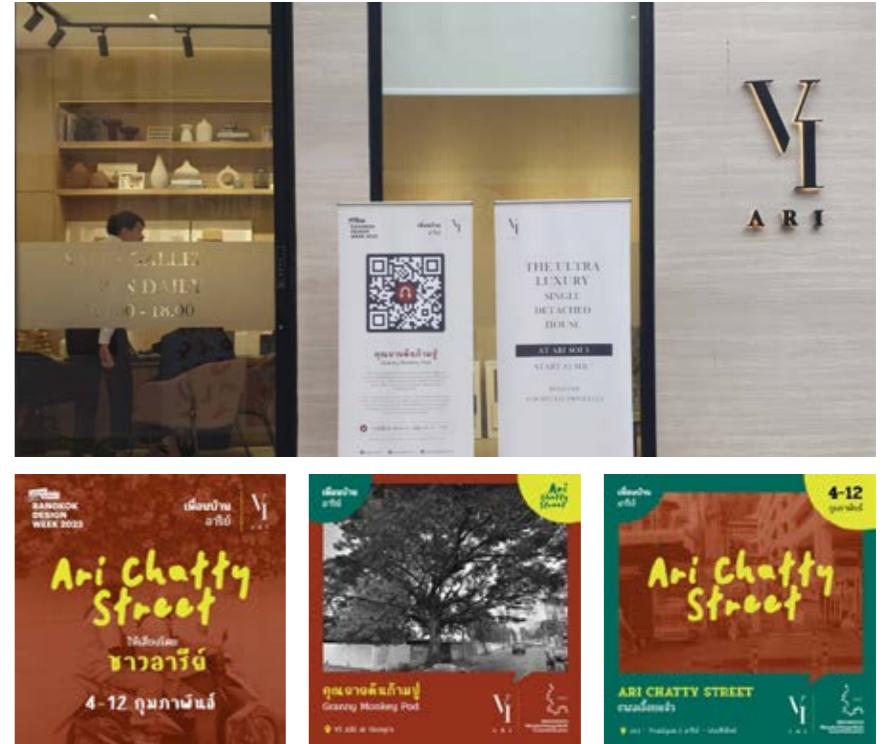


Corporate Governance Dimension

Bangkok Design Week – Ari Chatty Street

February 4 to 12, 2023,
at the Ari community.

The Company supported the Bangkok Design Week Exhibition 2023 in Bangkok, an annual event designed to create remarkable highlights for the Ari neighborhood by showcasing its unique stories and features. This event aimed to establish values in the area and instill pride among residents. PROUD collaborated with the Ari community to narrate the neighborhood's story through sound installations at 10 locations in Ari, allowing visitors to experience the essence of Ari through various activities.



The 'Gift to Give' Activity: New-year Gift Giving with a Pay-it-forward Initiative

At the end of 2023

there was a gift-giving gesture to customers and business partners, which totaled 49 items valued at 89,050 baht. The Company forwarded its goodwill by selecting gifts from local wisdom handicrafts to support residents in Amnat Charoen (bamboo weaving and plates) and Chiang Rai (burned clay cups). Inside the boxes were cards detailing the origin and value of the gifts, along with a QR code that allowed recipients to choose a charity for the Company to donate to. The selected charities were aligned with the Sustainable Development Goals (SDGs), which focused on Thailand's sustainability issues in 2023. The Company will continue to collect wishes and donations throughout 2024.



ภาพของกล่องของขวัญกลับบุพเพสันนิวาสจากภูบูปญญาไทย



บริษัท เชิญชวนลูกบ้านให้ร่วมบริจาค

SOOKCIETY BY BNH X PROUD

December 20, 2023,
at the Drug-Free Metropolitan Sports
Ground, Maha Nakhon Road

Currently, the elderly population in Thailand is on the rise, leading to an increased demand for healthcare services. BNH Hospital and Proud Real Estate Public Company Limited are collaborating to support the Bang Rak community by offering knowledge and basic healthcare training through the 'SookCiety' project (a combination of 'Sook' and 'Society'). This initiative aims to foster a community of happiness and promote overall well-being through comprehensive care.



Activity Details:

The SookCiety project designed activities specifically for the elderly, with more than 100 participants. These activities aimed to address health issues in three dimensions: mental, physical, and cognitive, as follows:

1. A movement and posture training activity, conducted by physiotherapists, to promote the strengthening of bones and knee joints.
2. The Rock Paper Scissors activity: brain and memory training aimed at stimulating brain function and nervous system activity by encouraging elderly participants to follow and recall movements.
3. A brain care activity to help prevent cognitive decline, employing the BOOCS (BRAIN ORIENTED ONESELF CARE SYSTEM) approach, which involves therapies for brain fatigue and rejuvenating brain cell performance, stress relief techniques, and preventive measures against Alzheimer's disease, inspired by practices from Japan and guided by psychologists.

Additional activities included delivering birthday wishes to members born in December, a Christmas wish singing activity, and gift giving along with snacks, lunches, and drinks to the elderly residents of Bang Rak.

Through the activities, the elderly gained knowledge of self-care, assisted their neighbors in the community, and enjoyed a sense of happiness and fun.



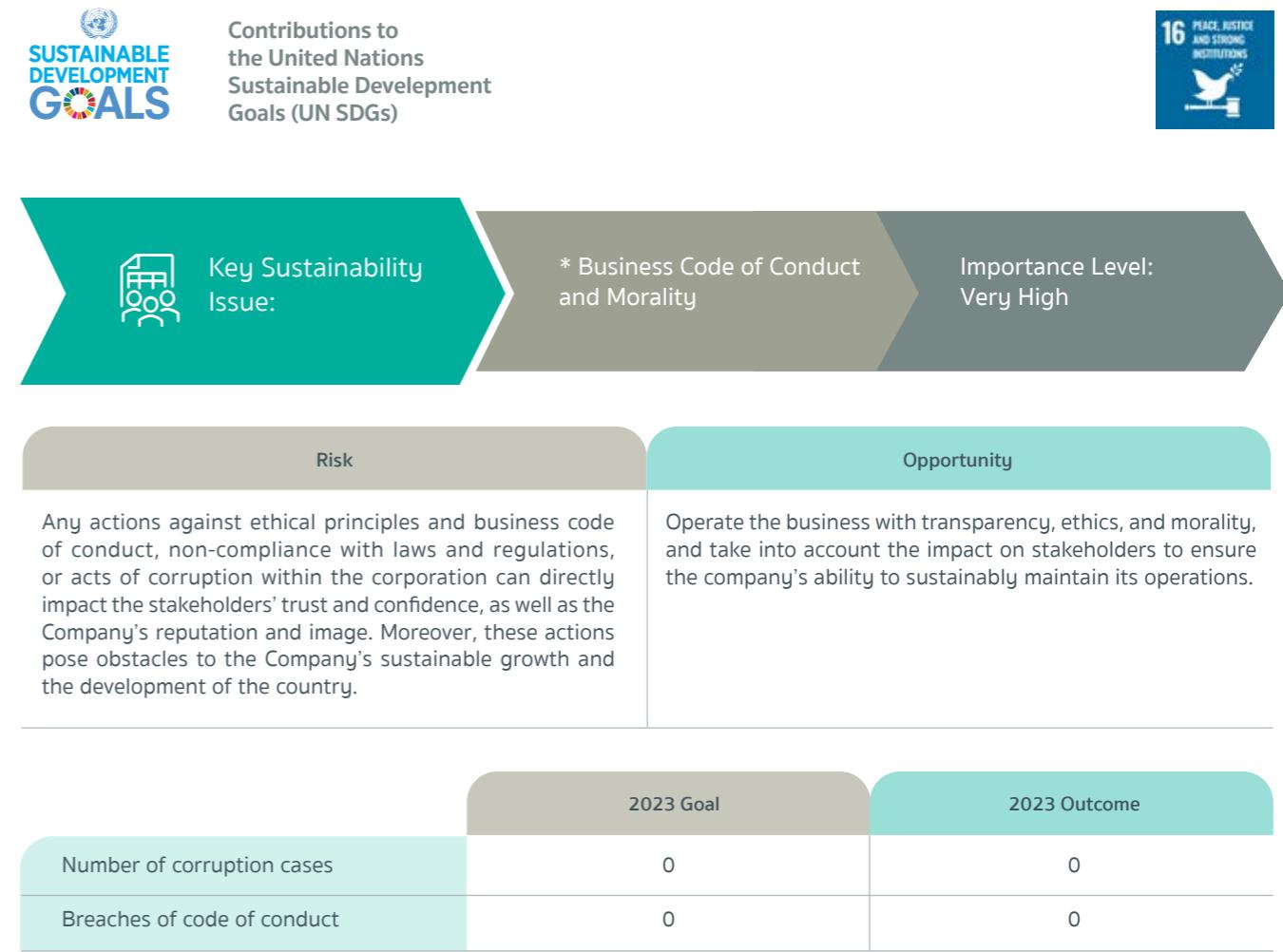
Fundamentals of Sustainable Development

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- Legal and Regulatory Compliance 110
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- Information Security and Privacy 117
- Human Rights in Business Operations 119
- Sustainable Supply Chain Development 123

Fundamentals of Sustainable Development

Operations for Fundamentals of Sustainable Development	SDG Targets	Approaches	Long-term Goals	2023 Goals
Corporate Governance	 16.3, 16.5	Ensure efficient, transparent, and compliant business operations through comprehensive oversight, management, monitoring, and review processes. Establish clear channels for reporting grievances, complaints, and concerns.	No significant complaints regarding corporate governance	No significant complaints regarding corporate governance
Business Ethics and Corporate Corruption Resistance	 16.3, 16.5	Conduct business with integrity, honesty, transparency, and responsibility towards all stakeholders, both internal and external, and align frameworks and practices with corporate governance principles and human rights standards, setting as benchmarks for the board of directors, executives, and employees to adhere to.	No significant complaints regarding corporate corruption	No significant complaints regarding corporate corruption
Legal and Regulatory Compliance	 16.3, 16.5	Ensure strict compliance with all laws, regulations, and rules governing business operations, including adherence to the terms and conditions outlined in all contracts.	No incidents of legal violations related to economic, social, and environmental aspects associated with business operations.	No incidents of legal violations related to economic, social, and environmental aspects associated with business operations.
Risk and Crisis Management	 16.7	Ensure ongoing management of uncertainty events that may arise and have the potential to affect the achievement of objectives and goals set by the organization across various aspects. Additionally, maintain continuous crisis and emergency management within operations.	Comprehensive strategic risk management plan	Comprehensive strategic risk management plan
Information Security and Privacy	 16.3, 16.10	Implement measures in accordance with legal requirements to protect and safeguard the confidentiality of personal data of stakeholders, company information, and business partner information. Utilize appropriate technologies to further enhance data security across all categories of data.	No complaints regarding personal data or business confidentiality breaches.	No complaints regarding personal data or business confidentiality breaches.
Human Rights in Business Operations	 1,4,7,5,1,5,5,2, 6,1,8,7, 8,8,10,2, 10,3,12,7,16,2, 16,3	Conduct assessments and reviews to uphold human rights and promote respect for human rights among business partners, suppliers, and contractors within the value chain, and conduct a collaboration to create positive social impacts from operations.	No significant human rights violations across the entire value chain	No significant human rights violations across the entire value chain
Sustainable Supply Chain Development	 8,3,8,7,8,8,11,6, 12,4,12,5,16,1, 16,14,16,5	Conduct sustainability risk assessments of all key business partners and new business partners.	Sustainability risk assessments conducted for all key and new partners	100% sustainability risk assessments conducted for all key and new partners

Business Code of Conduct and Anti-corruption



Management Guideline

The Company is dedicated to ethical business practices, emphasizing accountability to stakeholders. Transparency and integrity in operations, in compliance with laws, regulations, and standards, are also key priorities. Business operations adhere to principles of good corporate governance and a business code of conduct, setting standards for corporate behavior and guiding the actions of all employees, the Board of Directors, and executives toward a unified direction.

The Company's executives and employees are accountable for following the policies and ethical guidelines established by the Company to foster values, integrity, and a culture of responsibility throughout the organization. They are dedicated to embodying good citizenship, guided by a strong moral compass that takes into account the consequences and benefits of their actions. Furthermore, they consistently uphold principles of fairness and social justice towards the Company's stakeholders, conduct business with diligence, and implement robust work systems aimed at preventing corruption through internal audits.

The Company has implemented policies and guidelines that are appropriate to its business environment and align with widely accepted criteria and standards. These policies actively promote and support ethical business operations across the organization. To foster transparency and accountability, the Company has made the manuals of good corporate governance, business code of conduct, and other relevant policies available on its website and intranet. As a result, all employees have access to these resources for self-learning. The manuals are also applied as work guidelines for the Board of Directors, executives, and employees of the Company and its subsidiaries.

The Company is committed to promoting knowledge and understanding of business code of conduct and anti-corruption policies and guidelines among its employees and suppliers through various activities and communication channels. The operational outcomes for the year 2023 are as follows:

1. In 2023, the Company prepared and announced an implementation of the Supplier Code of Conduct to its suppliers and promote alignment with the Company's business ethics for sustainable growth. The Company distributed the Supplier Code of Conduct to its main suppliers via email, which reached 70 suppliers. Additionally, the Company received acknowledgements from 50 suppliers, or approximately 71.45% of all main suppliers.
2. The Company communicated the guidelines for gift giving and receiving during festive seasons and other occasions to executives, employees, subsidiaries, and external stakeholders for common awareness. The executives and employees have been assured of proper guidelines for gift giving and receiving. This approach helps prevent conflicts of interest and establishes a solid foundation for fair and transparent business operations with all stakeholders.
3. The Company conducted training sessions on good corporate governance and anti-corruption measures for all 65 new employees (in 2023). This ensures they acquire an accurate understanding and knowledge of business ethics, policies, measures, and best practices.
4. The Company organized training on the topic of "Principles of Good Corporate Governance and Anti-Corruption" for employees at all levels to review their understanding of the topic. 53% of all employees attended the training in the previous year.

The Company is committed to promoting knowledge and understanding of business code of conduct and anti-corruption policies for employees.



Monitoring of Compliance with Business Code of Conduct

The Company has established a whistleblowing policy and safe communication channels for its employees and stakeholders to submit suggestions, disclose concerns, or file complaints. These channels address any misconduct that violates laws, regulations, company policies, corporate governance principles, or anti-corruption policies. Measures have been put in place to protect the rights of individuals involved, and information from such complaints will be processed according to the procedures outlined in the Company's Good Corporate Governance Guidelines.

The Audit Committee
ac@proudrealstate.co.th

The Company Secretary and Legal Department
comsec@proudrealstate.co.th

Contact Information

For further information, inquiries, or any suggestions, please feel free to contact us at:

The Company Secretary and Legal Department
Proud Real Estate Public Company Limited
No.548 One City Centre Building, 19th Floor,
Ploenchit Road, Lumphini, Pathum Wan, Bangkok 10330

Complaint and Clue Management Procedure

Whistleblowing

The Company has established a policy and code of conduct concerning whistleblowing. In the event that an employee witnesses or suspects any actions that could be construed as corruption related to the Company, it is imperative for the employee to promptly report such incidents to the Company without hesitation and fully cooperate in the investigation of pertinent facts.

Markedly, the Company will keep records of whistleblowing reports and the identities of whistleblowers confidential to ensure the safety of their lives and property.

1. A person can lodge a complaint alleging issues related to the provision or receipt of assets, corruption, or any misconduct by completing a complaint form through the following channels:

- 1.1 Direct supervisors of employees (from managerial level and above).
- 1.2 Via email at whistleblower@proudrealstate.co.th.
- 1.3 The Company secretary via email at comsec@proudrealstate.co.th.
- 1.4 Chairperson of the Audit Committee (Independent Directors or other committee members) via mail or email at the following address:

Proud Real Estate Public Company Limited
No.548 One City Centre Building, 19th Floor,
Ploenchit Road, Lumphini, Pathum Wan, Bangkok 10330
or ac@proudrealstate.co.th

2. Upon discovery, suspicion, or receipt of an allegation regarding misconduct or fraud, the relevant supervisors must notify the legal department of such incidents or allegations within 7 days for investigation in accordance with the established procedures.

3. The complainant is advised to fill out a complaint form to provide essential information to the company group for the investigation.

Anonymous Complaints or Allegations

1. The Company encourages complainants to disclose their identities and contact information to facilitate the investigation and/or gather additional information for investigative purposes.
2. If a complaint or allegation is made anonymously, the investigation will be limited to the content of the complaint or allegation.

Reporting:

The Corporate Governance and Sustainable Development team will provide summaries and report them to the Board of Directors at least once a year. The operational information will be disclosed in the annual sustainability report.

In 2023, the Company did not receive any whistleblowing reports or significant complaints regarding corporate governance ethics, nor did it receive any complaints regarding corruption or cases of misconduct involving directors, executives, or employees of the Company. Additionally, no breaches of business ethics were found, and no employee corrupted or violated the Company's regulations during the past year.

Compliance with laws and regulations



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>In the operation of a real estate development business, adherence to numerous laws and regulations is imperative due to the significant direct and indirect impacts on the economy, society, and environment. Therefore, the Company and its stakeholders prioritize compliance with laws and regulations in all aspects. Non-compliance with laws, legal regulations, or the Company's own regulations, as well as those of its construction partners, may result in financial damages, damage to the Company's reputation, and loss of stakeholder trust and acceptance by society and communities in its business operations and growth.</p>	<p>Compliance with relevant laws and regulations is crucial for the Company to ensure transparency in its operation, build trust, and gain confidentiality from stakeholders. Monitoring changes in laws and regulations related to real estate development and associated businesses closely allows the Company to proactively prepare for new requirements and changing customer preferences driven by domestic and international regulatory changes. This enables the Company to adjust and develop products and services to meet those evolving needs promptly.</p>

	2023 Goal	2023 Outcome
The count of incidents and breaches of economic, social, and environmental laws	0	0



Management Guideline

To ensure the Company operates in compliance with applicable laws and regulations, it has instituted management guidelines to mitigate compliance risks. These guidelines align with the risk management process for legal and regulatory compliance, as outlined below:

1. Risk Identification:

Risk Identification: Analyze and identify legal and regulatory compliance risks across the business value chain, referencing applicable laws and regulations in each area, including Thai laws.

2. Risk Management:

Risk Assessment: Evaluate the potential risks stemming from non-compliance with laws, regulations, or international standards, and establish measures to manage these risks. These measures include designating the legal department and divisions that liaise with government agencies to conduct close monitoring of changes in laws and regulations in each area, and communicating with employees and stakeholders through various channels, such as arranging intranet training sessions, to enhance their understanding of legal changes and ensure strict compliance.

3. Compliance Monitoring:

Compliance Monitoring: Administrators of every unit are responsible for a supervision to ensure that employees and contractors of the Company adhere strictly to laws and regulations in all aspects. There is ongoing inspection and evaluation of performance in legal compliance across all operations.

4. Communication & Reporting:

Communication & Reporting: The legal department is responsible for conducting a collection of incidents of non-compliance and the outcomes of legal compliance operations, and reporting them sequentially to the Management Committee, the Good Governance and Sustainable Development Committee, the Risk Management Committee, and the Board of Directors. This process aims to recognize and establish guidelines for enhancing the governance mechanism, and to disclose operational outcomes in the upcoming annual sustainability report.

In 2023, the Risk Management Committee identified the risk from changes in environmental laws and regulations as an organizational risk concern. The company has assigned a unit directly responsible for this matter and developed the Company's risk mitigation plan to minimize the impact of this risk. Additionally, a Risk Appetite level has been established to closely monitor and evaluate the risk. This is due to the increasing enactment of environmental laws and changes in international multilateral regulations related to the environment, which could potentially impact the company's operations and stakeholders.

In 2023, the company did not encounter any incidents of non-compliance with laws related to the real estate development business. Additionally, there were no significant violations of economic, social, and environmental laws by employees and construction partners. The company remains committed to compliance with laws and regulations to foster confidence among all stakeholders and conduct business responsibly and sustainably.

Risk and Crisis Management



Contributions to the United Nations Sustainable Development Goals (UN SDGs)

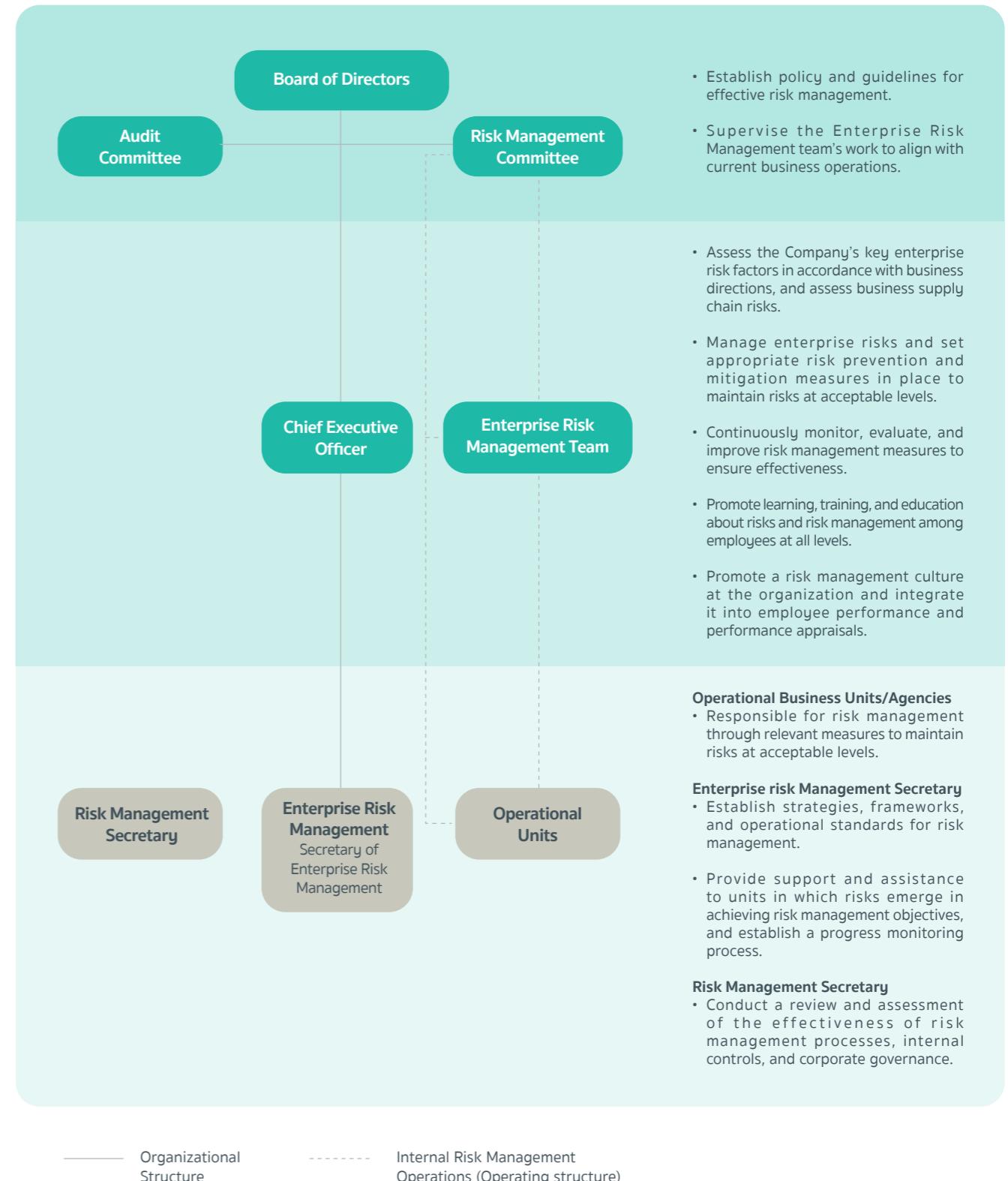


Risk	Opportunity
Ineffective risk management may impact various aspects, which include financials, reputation risk, and the Company's future sustainability. The impacts may involve the environment and the Company's stakeholders. The consequences can have a negative impact on the Company's reputation and may result in resistance to future business expansion.	Effective risk management is a crucial component that enables the Company to grow steadily and sustainably. It allows the Company to quickly identify opportunities, impacts, and plan responses to various risk issues arising from uncertainty and rapid changes. Furthermore, effective risk management allows the Company to recognize additional business opportunities through the development of risk mitigation strategies.

Risk Management Structure

The Company's risk management is under the supervision of the Board of Directors. The Risk Management Committee is responsible for setting policies and effective risk management guidelines and overseeing the operations of the enterprise risk management team to align with the current business environment. The Risk Management Committee consists of three members, with an independent member serving as its chairman.

Name	Position
Mr. Anuwat Maytheewibulwut	Chairman of The Risk Management Committee (Independent committee)
Ms. Anchalee Bunsongsikul	Director of The Risk Management Committee (Independent committee)
Mr. Dan Sornmani	Director of The Risk Management Committee (Independent committee)



The Risk Management Committee has appointed the Enterprise Risk Management team to ensure that the Company can effectively carry out risk management across the organization in response to the main policies regarding risk management and crisis situations. The committee comprises executives and representatives from various departments, as well as managers from subsidiary companies. The Director of Finance and Accounting Department serves as the chairman of the Enterprise Risk Management team. The committee's responsibilities include:

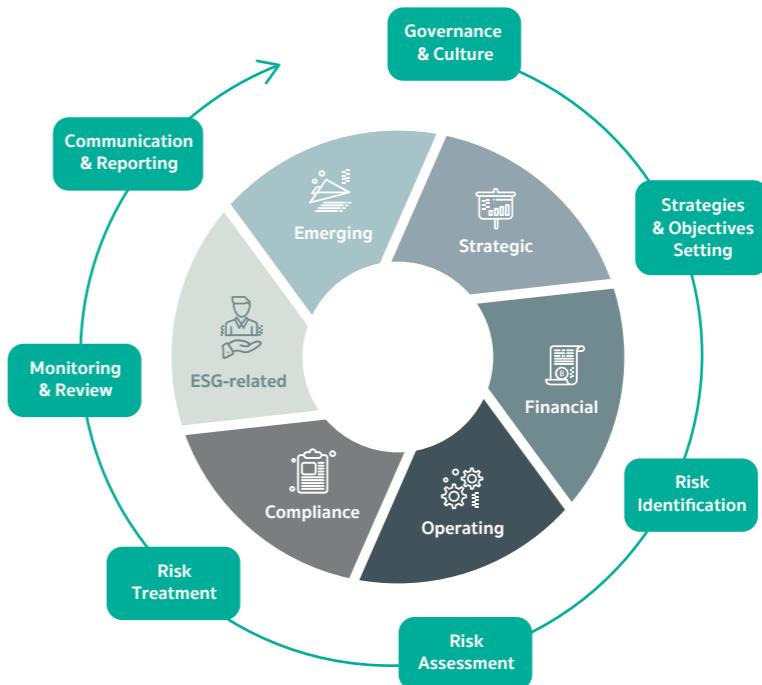
1. Conduct an assessment of significant enterprise risks of the Company in accordance with the Company's business direction and business supply chain risks. This includes evaluating strategic risks, investment risks, and operational risks, covering aspects such as safety, health, social, and environmental issues, financial risks, legal and regulatory risks, and other potential risks that may impact the organization. Provide recommendations on preventive measures and risk mitigation strategies to maintain risks at an acceptable level.
2. Monitor, evaluate, and continuously improve action plans to mitigate risks, which ensure alignment with the business environment, and to report risk assessment outcomes and risk mitigation efforts regularly to the Risk Management Committee.
3. Establish a Business Continuity Plan at the organizational level to effectively address significant risks.
4. Promote learning, training, education about risks, and risk management among employees at all levels and foster a risk management culture in the organization.

The Company has designated risk management as a responsibility for all employees at every level. Employees must be aware of the risks within the organization's business chain and in their own departmental operations, and risk management is carried out through appropriate and sufficient methods. To facilitate this, each department within the Company and its subsidiaries has appointed representatives tasked with coordinating risk management at the operational level. These representatives collaborate with the Enterprise Risk Management team to identify risks, develop risk management plans, and monitor outcomes. The Risk Management Secretary supports and assists in promoting risk management awareness among all employees in each department and subsidiary, encouraging their participation in managing risks within their respective areas of responsibility.

Risk Management Guideline

The Company has established a process for enterprise risk management that aligns with international best practices to effectively manage risks that may impact its operations. This process involves the consistent development and implementation of risk management practices throughout the organization. Consequently, risk management is integrated into the Company's decision-making, strategic planning, and operations to achieve the objectives and goals outlined in its strategic plan.

The enterprise risk management, which adheres to the COSO framework, involves conducting annual reviews and evaluations of enterprise risks. This approach includes examining current risk issues and identifying potential future risks arising from economic conditions, business competition, technological advancements, innovations, government policies and regulations, and societal and environmental changes that may impact business operations. By analyzing and evaluating these various risk issues, the Company develops appropriate risk management plans, establishes risk indicators, and determines acceptable risk levels. This process enables the Company to monitor risk management outcomes and assess the effectiveness of its risk control measures. Furthermore, the Company explores business opportunities that may arise from various risk factors and assigns enterprise risk owners to develop risk management plans and strategies, as well as to define relevant risk indicators.



The Enterprise Risk Management team monitors responses to risks and tracks the situations that cause risks. The committee then summarizes the outcomes and reports them at the Executive Committee meetings, Board of Directors' meetings, and Management Committee meetings of subsidiary companies. Additionally, reports are accordingly submitted to the Company's board of directors.

Furthermore, the Company aims to enhance employee engagement in risk management practices due to its integral role across all operational levels. Consequently, the Company raises awareness and promotes a risk management culture among employees at all levels. The goal is achieved through various activities such as pre-work safety inspections, training sessions, and more.

Management Outcome

In 2023, the Company conducted a thorough study to assess possibilities and initiated the drafting of a risk management policy. This endeavor considered the organization's key risk areas to align with its strategic plans and objectives. The Company also considered global trends, technological advancements, evolving environmental and socio-economic landscapes, and the importance of sustainable risks. The Risk Management Committee categorized risks into five types: strategic risk, operational risk, compliance risk, financial risk, and emerging risk. The committee then reviewed and enhanced the organizational risk management plan and key risk indicators (KRIs) to monitor and observe the occurrence of these risks.

	Strategic Risk	Operational Risk	Compliance Risk	Financial Risk	Emerging Risk
Economic and Governance	Domestic and Overseas Investment Risks	Cybersecurity Risk		Financial Crisis Risk	New / Next Normal Risk From Changing Behavior And Demands In The New / Next Normal
Environmental	Circular Economy Risk	Climate Change Induced Flood and Drought Risk	Risk from Change in Environment Law		
Social	Pandemic Risk		Risk of Losing Good Relationships with Communities		

Risk from Responding to Behavioral and Demand Changes in the Next Normal

The Next Normal refers to an adoption of new lifestyles by individuals after adapting to the COVID-19 pandemic situation. The definition involves behaviors and attitudes towards life that differ from the past. Consequently, the lifestyles, business operations, attitudes, and needs of various stakeholders in the Company have changed. The Next Normal acts as a catalyst for global trends in various aspects, such as changes in consumer demand, shifts in supply chain dynamics, innovations and technologies, and human resource management practices. These changes may impact stakeholders, such as contractors who need to adapt and prepare to cope with the situation, investors delaying investment decisions, or international customers refraining from purchasing properties. Additionally, new customers' needs may emerge, which could directly affect the Company's revenue. Moreover, the swift response to customer needs and appropriate human resource management by the Company may directly influence its performance.

Therefore, the Company closely monitors global and national developments, and the impacts on customers, suppliers, and stakeholders, to assess risks to its business operations and devise appropriate risk management measures. The procedures include adapting business models with partners, such as by acquiring businesses, expanding horizontally to reduce dependence on international customers, or implementing flexible working arrangements to adapt the Company's operations. The management efforts aim to ensure the continuous operation of the business. Additionally, the Company tracks changes in the needs, expectations, and concerns of all stakeholders, both internal and external, to analyze data and devise suitable strategies.

Promotion of Risk Management Culture at the Organization

The Company emphasizes the participation of both executives and employees in risk management related to their respective duties and responsibilities. The Company is required to integrate risk management into everyday operations until it becomes a part of the organizational culture. In addition to the department and subsidiary executives, designated employees are responsible for risk management tasks. The employees participate in meetings with the risk management team and subsequently communicate the information to operational-level employees.

In 2023, the Company established guidelines to promote a culture of enterprise risk management among employees at all levels. These guidelines categorize the implementation approaches into 4 groups:



1. Promotion of knowledge and understanding on Enterprise Risk Management

The Company recognizes that the knowledge and understanding of all employees are crucial factors in achieving effective enterprise risk management and its objectives. Therefore, the Company provides training on risk management from the first day of employment to raise awareness among employees.

2. Promotion of participation

The Company adheres to the "Mentor/Mentee" work policy, where managers are responsible for imparting the organization's policies and culture effectively to their subordinates. In addition, managers or representatives from each department are integral members of the risk management team. They conduct joint risk management meetings at least once a month to develop corporate risk management strategies, oversee risk management activities, define key risk indicators and acceptable risk levels, evaluate risk levels after implementing risk control measures, create additional risk mitigation plans, set objectives, establish risk indicators, and ensure ongoing monitoring of operations.

3. Systematic Risk Management

The Company's Enterprise Risk Management (ERM) adopts the COSO framework and establishes systematic internal oversight according to the risk prevention approach at 3 levels. The levels consist of the 1st Line of Defense, or risk owner, who is responsible for risk management; the 2nd Line of Defense, or corporate strategy and risk management department, who sets guidelines and standards for risk management, along with risk management secretaries monitoring the operations; and the 3rd Line of Defense, or risk management secretaries, who independently assess the efficiency of the enterprise risk management system. The outcomes of the operations are reported at least monthly to senior management and the Risk Management Committee according to the meeting cycle.

In 2023, the Company was in the process of planning its operations, which will commence according to the 2024 plan.

4. Integration of risk management with work processes

The Company has set an achievement of enterprise risk management as a key performance indicator (Corporate KPI) for the Company and senior executives. An assessment is conducted every 6 months, with a link to KPIs for the performance metrics of the risk-responsible units. This aligns with the Risk Management Committee meetings, which are set to be held at least twice a year to present the Company's risk management outcomes. The risk management secretary summarizes the information, reports it to the risk management committee meetings, and subsequently presents it to the Company's Board of Directors.

Information Security and Privacy



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
The leakage or loss of business data and personal information of the company and associated stakeholders, whether caused by individual negligence or cyber threats, will inevitably impact the security of operating systems, the company's reputation and image, and stakeholders' trustworthiness. Misuse of data can cause severe harm to data owners and result in the loss of customers and suppliers for the company.	Effective management of personal and business data enables the company to mitigate the risks of violating laws and regulations, thereby enhancing organizational credibility and fostering stakeholder confidence in the organization.

2023 Goal	2023 Outcome
Complaints regarding personal data or business confidentiality breaches (if any)	0



Management Guideline

The Company has established a confidentiality policy to ensure that directors, executives, and employees adhere to proper guidelines for safeguarding confidential information and utilizing it appropriately, particularly sensitive data related to the Company or stakeholders and IT security policy. This includes regulations regarding the use of computers and network systems, a personal data protection policy that aligns with international standards and legal requirements such as the Cybersecurity Act and the Personal Data Protection Act (PDPA).

The Company places a high priority on developing cybersecurity measures to safeguard both its own data and the data of key stakeholders, including employees, customers, business partners, suppliers, and contractors. This is accomplished by setting clear objectives for cybersecurity operations and implementing comprehensive data security systems across all business units to prevent data breaches (achieving 100 percent coverage). Notably, the Company has not received any complaints regarding personal data breaches.

The Company focuses on mitigating both the likelihood and potential impacts of cyber incidents and cyberattacks on its information technology systems. To achieve this, a dedicated team has been established to regularly review and assess the security architecture, identify vulnerabilities in critical systems, and ensure that all potential weak points are routinely monitored and addressed. This comprehensive approach aims to provide assurance that the Company's systems are resilient against cyber threats.

The Company requires all data users to strictly adhere to policies and guidelines for data usage, receive training on measures for personal data protection and management, and gain more awareness of information security fundamentals and cybersecurity threat trends. This ensures that executives and employees are able to conduct the safe usage and protection of the organization's information resources, and to securely handle and leverage IT assets while remaining alert against cyberattacks. In addition, the information technology system can be safely used as there are measures including password requirements for system access and password change requirements on a regular basis as specified. In the past year, the Company incorporated these topics into new employee orientation materials and emphasized their importance as fundamental knowledge that all employees must acquire regarding information security, cyber threats and trends, IT security policies, and relevant computer laws and regulations.

In the event that stakeholders encounter incidents where operations are not conducted in compliance with regulations or discover breaches of personal data or data leaks involving stakeholder information, they can report or file complaints through the Company's complaint channels. In 2023, the Company did not receive any complaints related to breaches of personal data or data leaks involving stakeholders, nor did it encounter any incidents of breaches of the Company's data or successful cyberattacks.



Human Rights in Business Operations



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Key Sustainability Issue:

Reduce the risk of human rights violations that may arise from the activities of the Company or its business partners and contractors.

Level of Importance: High

Risk	Opportunity
<p>The Company operates in the real estate development business, where each project requires high level of investment and involves a large number of stakeholders. Without an effective human rights risk assessment process across its supply chain or operational controls for both the Company and its business suppliers, the Company may become involved in human rights violations. This would directly impact the Company's image and investor confidence, both domestically and internationally.</p>	<p>If the Company implements an effective human rights risk assessment process throughout its supply chain, it can mitigate the risk of human rights violations stemming from its own activities or those of its business partners and contractors. This proactive approach will enhance the Company's reputation and bolster the confidence of all stakeholder groups in the Company.</p>

2023 Goal	2023 Outcome
0	0

The number of significant complaints regarding human rights violations arising from the operations of the Company.



Management Guideline

The Company acknowledges the human rights impacts on stakeholders across the value chain, guided by the philosophy of "More Than Just Living." This principle has consistently steered Proud Real Estate Public Company Limited in its business endeavors. The Company not only strives to deliver outstanding products and services, generate profits, and foster organizational growth, but also prioritizes creative development and sustainable enhancement of the environment, society, economy, and corporate governance (Environment Social Governance: ESG). The Company's business operations play a crucial role in promoting positive human rights impacts by contributing to economic development, job creation, and improving the quality of life for those in the value chain. However, at the same time, the real estate development business also has the potential to violate the human rights of these stakeholders. For instance, pollution from real estate development can pose health risks and disrupt the well-being of communities. Unsafe working conditions or environmental hazards may endanger employees, laborers, or community members who share the same space. Neglecting the impacts on the rights of these stakeholders may lead to a loss of trust from affected groups or face opposition from society, which could affect the business operations and future performance.

The Company has established the social policies: "Policy and Code of Conduct on Non-Violation of Human Rights," "Policy and Code of Conduct on Stakeholder Roles," "Policy and Code of Conduct on Human Resource Management and Development," "Policy and Code of Conduct on Occupational Health, Safety, and Working Environment," and "Personal Data Protection Policy." These policies are part of an effort in establishing a fair and appropriate treat to all groups of stakeholders in every activity and value chain in accordance with international human rights principles. The Company has followed the law and set operational frameworks in line with the principles of the United Nations on Business and Human Rights (UN Guiding Principles on Business and Human Rights: UNGP).

The Company requires the Board of Directors, executives, and employees at all levels to raise their awareness of the importance of human rights and to respect them in all aspects for all individuals, including employees, customers, suppliers, contractors, communities, and society, in accordance with the law. The Company operates its businesses with respect for human rights and avoids actions or activities that involve human rights violations or cause negative impacts on human rights.

In 2023, the Company has integrated the identification and assessment of human rights risks into its corporate risk assessment process. This integration helps to define responsibilities and ensure the implementation of these responsibilities. For example, the Environmental Impact Assessments (EIA) is conducted in project development to identify and assess environmental issues, and evaluate occupational health and safety hazards and risks in compliance with relevant standards and laws.

Human Rights Risk Assessment

Scope	Key human rights risk issues	Affected Stakeholders	The Company's Operations for Remediation, Prevention, and Mitigation
The Company's operations	Labor rights <ul style="list-style-type: none"> • Health and Safety • Employment conditions • Equality • Freedom of association and collective bargaining 	Employees	<ul style="list-style-type: none"> • Treat employees with respect for their human rights and labor rights, in compliance with labor laws, and conduct business based on international human rights principles, particularly by ensuring equality and non-discrimination for all employees in every aspect. • Ensure safety and health measures are in place at the workplace in accordance with safety, occupational health, and environmental policies. • Establish the Employee Welfare Committee with employee representatives as members.
	Community Rights: <ul style="list-style-type: none"> • Health and Safety • Environment 	Communities	<ul style="list-style-type: none"> • Listen to feedback and conduct regular follow-up to evaluate the impacts from the company's operations on surrounding communities. • Implement operations and activities to continuously prevent and mitigate impacts from operations, both on the environment and on community's health, life and property safety. • Provide opportunities for community involvement in expressing opinions and filing complaints through various channels. • Adhere strictly to environmental and safety laws, regulations and practices.

Scope	Key human rights risk issues	Affected Stakeholders	The Company's Operations for Remediation, Prevention, and Mitigation
The Company's operations	Customer/Consumer Rights: <ul style="list-style-type: none"> • Product and service quality • Health and safety 	Customers	<ul style="list-style-type: none"> • Deliver quality products and services that meet safety standards. • Provide channels for receiving complaints and processes for handling customer complaints during construction/service and after-sales. • Strictly comply with safety laws and regulations.
	Rights to Personal Data Privacy	Employees, customers, shareholders, business partners	<ul style="list-style-type: none"> • Announce a personal data protection policy to establish standards of good management and practices. • Implement processes to control the management of personal data and business confidentiality in compliance with laws and policies. • Declare a confidentiality policy and practices to prevent data leaks, unauthorized access, use, disclosure, or modification of data by unauthorized individuals. • Provide training to employees on the importance of personal data protection and conduct regular monitoring and audits.
	Rights of Business Partners and Contractors <ul style="list-style-type: none"> • Health and Safety 	Suppliers and contractors	<ul style="list-style-type: none"> • Treat business suppliers with equality, fairness, transparency, and non-discrimination. • Maintain a secure and safe working environment. • Require business suppliers and contractors to strictly comply with safety laws and regulations.
The operations of suppliers and contractors	Labor rights: <ul style="list-style-type: none"> • Health and safety • Employment conditions 	Labor of suppliers and contractors	<ul style="list-style-type: none"> • Declare a business ethics code for company partners for the company's business partners to ensure they acknowledge and act in accordance with the company's intent and practices regarding environmental management and labor practices. • Assess the risks related to labor practices and workplace safety of key and new partners before engaging them. • Include provisions in contracts for suppliers and contractors to implement preventive measures and be accountable for impacts from any human rights violations that may occur.
	Community Rights <ul style="list-style-type: none"> • Health and Safety • Environment 	Communities	<ul style="list-style-type: none"> • Survey and listen to community feedback regarding the community impacts from the operations of business suppliers and contractors, with channels for receiving complaints and a complaint handling process. • Include provisions in contracts for suppliers and contractors to implement preventive measures and be accountable for impacts from any human rights violations that may occur.

Outcome of Human Rights Management

In 2023, the Company did not receive any significant complaints from stakeholders regarding human rights from its business activities. There were also no reported cases of human rights violations from business suppliers, contractors, or customers. The Human Resources department reported progress on human rights management performance and the number of human rights complaints received through available channels to the management team, the Corporate Governance and Sustainable Development team, the Management Committee, and the Board of Directors respectively.

Additionally, the Company has implemented a "Whistleblowing Policy" and established various communication channels to allow employees and stakeholders to report any indications or lodge grievances related to human rights violations. The Company maintains a comprehensive, fair, and transparent process for reviewing, investigating, and addressing complaints. Employees found to have committed human rights violations are considered to have violated the company's code of conduct and will be subject to disciplinary action as per established regulations. Moreover, they may face legal repercussions if their actions also contravene the law. In cases of human rights violations, the Company assigns responsibility to the Human Resources department and the Corporate Governance and Sustainable Development team to promptly manage mitigation and remediation of the impacts. They are also tasked with establishing measures to address the consequences and ensure equitable compensation for those affected by the human rights violations.



In cases of human rights violations, the Company assigns responsibility to the Human Resources department and the Corporate Governance and Sustainable Development team to promptly manage mitigation and remediation of the impacts.

Sustainable Supply Chain



Contributions to the United Nations Sustainable Development Goals (UN SDGs)



Risk	Opportunity
<p>The Company relies on suppliers and contractors to procure products and services crucial for its core real estate development and service operations. Consequently, the quality of construction work, services, and the performance of these external parties have a direct and significant positive and negative impact on the Company and its stakeholders. Substandard operations with poor quality, or high Environmental, Social, and Governance (ESG) risks from suppliers and contractors can lead to legal violations, regulatory non-compliance, or societal issues such as environmental pollution, noise disturbances, and threats to life and property safety. Furthermore, the company risks inadvertently supporting labor rights violations of suppliers and contractors if proper work processes are not implemented. These factors can potentially tarnish the Company's reputation and credibility, in addition to the direct economic repercussions resulting from compromised work quality and delayed delivery timelines.</p>	<p>Effective management of suppliers and contractors helps reduce risks and short-term and long-term social and environmental impacts in the supply chain and surrounding communities. It also enhances the quality and efficiency of the company's work, leading to greater customer satisfaction with its products. In addition, screening and developing suppliers and contractors elevates quality standards, supporting the company's business expansion and fostering mutual growth in the long term.</p>

	2023 Goal	2023 Outcome
Proportion of new suppliers assessed for sustainability risk	100%	100%
Proportion of critical suppliers assessed for sustainability risk	100%	100%



Management Guideline

The Company has established the Procurement working party, chaired by the Senior Vice President of Accounting and Finance. Directors from the procurement and legal departments are tasked with developing procurement and contracting practices that adhere to standards, relevant laws, and ethical guidelines. They are also responsible for determining standards for the Company's procurement practices and communicating business ethics to suppliers. These efforts aim to convey the Company's commitment to conducting business ethically, responsibly, and with regard to economic, social, and environmental impacts. The party is also responsible for establishing sustainability risk assessments regarding corporate governance, economic, social, and environmental dimensions for the company's supply chain, suppliers, and contractors. Other responsibilities include establishing management guidelines and strategies suitable for both suppliers and contractors, as well as facilitating the development of their capabilities to reduce sustainability risks and the impacts of business operations in both the short and long term.

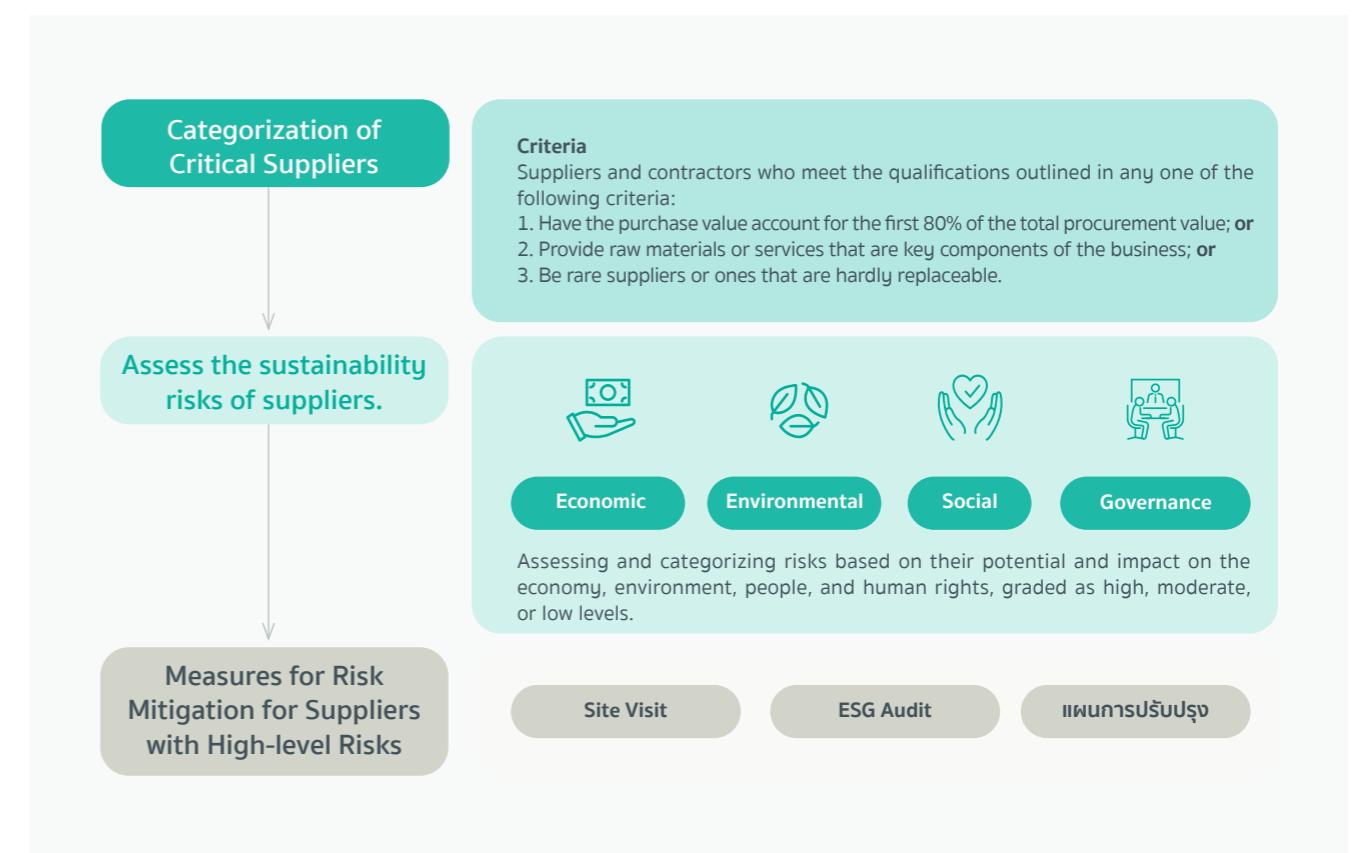
The Company has established a sustainable supply chain management approach as follows:



The Company has communicated the Supplier Code of Conduct and Procurement Manual to its key trading partners (critical suppliers), following a sustainable supply chain management guideline. This procedure is intended to enhance supplier understanding of best practices that align with the Company's dedication to social and environmental responsibility, as well as integrity, fairness, and transparency in business dealings. The code of conduct and manual address the following issues:

Business Ethics	Compliance with laws and regulations, conducting business based on accuracy and integrity, anti-corruption, transparency, and verifiable information disclosure.
Human Rights Principle	Proper hiring practices in accordance with the law, equal treatment, and no use of child labor or forced labor in any form.
Occupational Health and Safety	Compliance with health and safety laws, providing appropriate safety equipment suitable for the nature of the work, recording statistics of work-related illnesses and injuries, and ensuring clear communication and compliance.
Social Responsibility	Complaint channels available for stakeholders and consideration of impacts from work processes.
Environmental Responsibility	Compliance with laws and regulations related to the environment and measures implemented to prevent and reduce environmental impacts from work.

In 2023, 100% of critical suppliers responded to the Supplier Code of Conduct Acknowledgment. The following procurement processes were undertaken according to the Company's Procurement Manual:



1. Critical Supplier Identification

In 2023, the Company had 277 suppliers and contractors within its supply chain. Subsequently, the Company categorized them as Critical Tier-1 Suppliers, who were consistently engaged in business with the Company and met at least one of the following criteria: representing the first 80% of the total procurement value, supplying primary raw materials or critical services essential to the Company's operations, or being a limited or irreplaceable seller within their category.

In 2023, 11 suppliers and contractors were categorized as Critical Tier-1 Suppliers, with procurement value accounting for 80% of the total procurement value.

2. Risk Assessment in Supply Chain

The Company has implemented a comprehensive risk assessment process to evaluate the sustainability practices of its suppliers, with a focus on the Critical Tier-1 Supplier groups and all new suppliers. This process includes the use of a Self-Assessment Questionnaire covering economic, environmental, social, and governance (ESG) issues. Based on their self-assessment scores, suppliers are categorized into different risk levels. Those with moderate to high risks (self-assessment scores below 80%) may undergo additional on-site visits and ESG audits by the Company. Additionally, the procurement department and business units conduct an annual supplier quality assessment, with the frequency varying based on the supplier's risk level. High-risk suppliers are required to develop and implement preventive and corrective measures to address identified issues or concerns. The Company's risk management secretary provides assistance in developing and implementing these measures, aiming to foster a positive and collaborative relationship between the Company and its suppliers.

The Company targets all critical and new suppliers to be assessed for economic and sustainability risks in their operations, which cover environmental, social, and governance issues. In 2023, the Company conducted risk assessments for all 8 critical suppliers (100%) and all 71 new suppliers (100%) as per the targets. As a result, none of the critical suppliers posed economic risks.

	2022	2023
Proportion of domestic procurement of products and services	100%	100%
Total Suppliers	206	277
New supplier	54	71
Critical supplier	1	8
Proportion of suppliers assessed for environmental, social, and corporate governance risks through self-assessment questionnaire (SAQ)		
Critical supplier	100%	100%
New supplier	100%	100%
Number of suppliers with high environment, social and governance (ESG) risks		
Critical supplier	0	0
New supplier	0	0

3. Supplier Audit and Evaluation

The Company requires all critical suppliers who have undertaken economic and sustainability risk assessment through the Self-Assessment Questionnaire (SAQ) to undergo an on-site ESG audit, which covers economic, environmental, social, and governance issues.

Additionally, the Company requires each supplier and contractor to take an annual performance assessment and assessment of their relationship with the Company after the completion of transactions. The data gained from the assessments will be used for future procurement decisions. The Company has implemented risk management measures for all suppliers and developed supplier development plans to minimize the likelihood and impact of risks for both suppliers and contractors. This approach aims to cultivate relationships, facilitate mutual growth, and mitigate risks for suppliers and contractors.

4. New Supplier Registration

The Company has established guidelines for selecting new suppliers. The new supplier selection process involves reviewing the qualifications and past performance of suppliers and contractors to ensure they meet the Company's requirements. All prospective suppliers must take a comprehensive risk assessment covering economic, social, environmental, and governance (ESG) risks using the Supplier's Self-Assessment Questionnaire (SAQ) before registration. If their scores meet the criteria and no ESG risks are identified, the new supplier acknowledges the Company's business ethics and is recorded in the new supplier registry. However, if the scores do not meet the evaluation criteria or risks are identified, the supplier must propose clear preventive or corrective measures and a follow-up plan until acceptable scores are achieved before being registered as a new supplier.

In 2023, the Company had 71 new suppliers, who were selected through the designated selection process, or 100% of the total new suppliers.

5. Supplier Support and Development

The Company emphasizes fair business dealings with suppliers to enhance liquidity and capital management and to ensure the benefits of both parties. Consequently, the Company assesses partners' compliance with agreements and commitments, particularly regarding credit terms, fair trade practices, and appropriateness, which are crucial for sustainable business growth. The Company establishes a Credit Term Policy to settle payments to suppliers within 30-40 days, utilizing bank channels for payment to ensure suppliers' confidence and timely receipt of funds in alignment with the Company's policy. Nonetheless, payment terms may vary from the policy due to individual business constraints and other factors necessitating further consideration. Details of the Company's average credit terms for goods and services are as follows:

	2021	2022	2023
Average Account Payable	40 days	40 days	38 days

In addition, services are provided to mitigate social and environmental risks and impacts, as well as compliance risks related to relevant regulations. Furthermore, support is offered to enhance the operational efficiency of suppliers and contractors to meet the Company's standards. The Company also prioritizes the development of suppliers and contractors within the supply chain, particularly critical partners in public utility businesses and those providing primary products and services to the Company. Moreover, business operations have been developed, and management systems have been certified to conform to international standards such as ISO 9001, ISO 21500, and others.



PART 3
GRI Content Index

GRI Content Index

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