Helping each other for a better world

Sustainability Report

2020

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Message from
the Chief Executive Officer

and Chair of Sustainable Development Committee TCP Group[GRI 102-14]

The year 2020 is considered one of the most challenging years for all mankind. The global outbreak and rapid spreading of Corona Virus (COVID-19) disrupted the unprepared world and affected everyday life of people of all ages, genders, and social statuses. Enterprises of both large and small sizes had to face the severe economic recession as a result of the pandemic. Furthermore, while the whole world was trying to find its way out of the COVID-19 crisis, from which the numbers of the infected cases and deaths were increasing every day, the existing unsolved social and environmental issues still persisted. Some of these issues included the vast forest fires in Australia and the USA, PM 2.5 dust particles, inequality, racism, etc.

On the other hand, amid the ongoing crisis and challenges, we could still witness different acts of kindness among the people and nations, mobilization of healthcare personnel around the world in handling and unceasingly fighting against the pandemic, invention of vaccines in the shortest period of time in history, dispatch of aid to disaster areas, sharing of knowledge and earnest synergies of the global community in fixing various social issues.

TCP Group was also faced with the same crisis as other organizations. However, for an enterprise that has been around for over 60 years, we choose to learn from and view the situation as an opportunity to strengthen our business and the society, rather than an obstacle. What we believed in and acted upon was to revise our business plans to add more flexibility and adjust to the unpredictable volatility in order to press on with our operations. To the best of our ability, we tended to our employees in terms of safety and career stability. Furthermore, we joined hands with our business partners in trying to overcome the difficulties together. But, most importantly, we always bore our society in mind. Thus, it was yet another year of pride for TCP to have passed on the power of sharing, caring and support to the society, in a broader sense and a timely manner, both in Thailand and other countries. The support provided to the medical personnel, consumers, business partners, and employees was based on the belief that joining hands in lending support to one another would get us through this global crisis together.

Not only does COVID-19 impact the economy and society, but it also affects the environment around the world. There are a number of reports of new challenges and risks that have shaken and obstructed the path towards the Global Sustainable Development Goals (SDGs). For TCP Group, such challenges are the opportunities for us to review our sustainability framework to ensure that it is suitable for circumstances going forward. TCP stays determined to be an organization that contributes to creating a sustainable society.

This sustainability report is an important memorandum demonstrating the concept of sustainability that the company used as a guideline for our business operations in 2020. It also shows the progress on the company's sustainability operational plan as well as our management with good corporate governance policy that is transparent and fair while taking responsibility towards the society, the community and the environment.

In 2021, although COVID-19 continues to pose a challenge for every country across the world and even if there may be some other challenges along the way as well, TCP Group will remain a robust organization that stands alongside Thai society and the global community as we face the challenges together.

Saravoot Yoovidhya

Chief Executive Officer and Chair of Sustainable Development Committee TCP Group

Boosting Business Growth while Building Stable and Sustainable Society

Conducting a business with a sense of social responsibility is not merely an elegant concept aimed to build a good organization image. For TCP Group, it has been over six decades of being a part of Thai society. Our employees and executives are determined to carry out our firm belief in tending to the society as we run our business. It is according to the resolution and the foundation laid out by Mr. Chaleo Yoovidhya, the founder of TCP Group.

Even in the midst of the COVID-19 pandemic, the mentioned concept is further emphasized through the perspective of Mr. Saravoot Yoovidhya, Chief Executive Officer of TCP Group

> " Although business needs to grow, profit is not of the essence at this moment. COVID-19 is a crisis not only for our organization but also for everyone in the society. Businesses with resources must do whatever they can to extend their helping hands. That is the true way out for the society. "

During that time, TCP mobilized urgent support to provide through a variety of projects including long-term projects such as employment and aid to entrepreneur clients in hopes that the society will be back on its feet once again.

For TCP, the fruit of a sustainable business does not only refer to profits, but it also refers to taking part in building a stable and sustainable society that is ready to face any global situations together in the future.

TCP Taking Part in Restraining COVID-19

Ever since China's announcement of its first case of the novel coronavirus 2019 in Wuhan, Hubei Province, in December 2019, COVID-19 pandemic severely and relentlessly spread throughout the world. The outbreak reoccurred in many waves in various countries in 2020 and persisted into 2021.

At the beginning of January 2020, Thailand reported its first case of COVID-19 and the number of infected cases gradually increased in large clusters in the following months. TCP Group saw that the unfolding crisis was putting a lot of burden on the doctors, nurses, and medical personnel who worked at the frontline examining the public and diagnosing the infections. Inevitably, they were facing the risk of being infected themselves. The widespread pandemic also resulted in household economic problems due to people's loss of jobs and incomes.

Prior to the announcement of World Health Organization (WHO) classifying the novel coronavirus outbreak as a pandemic, TCP Group had already set up a task force to administer COVID-19 situation with the focus on ensuring the safety of our employees at the different offices throughout Thailand and other countries where our businesses were based as well as offering assistance to the medical personnel and general public in handling the pandemic. The management of TCP Group approved a budget of 100 million baht and utilization of the group's resources such as expertise, networks and business potential in these efforts. These were coupled with the unity among our employees in undertaking different aid projects, both short-term urgent relief and long-term aid as a part of social assistance in overcoming this crisis.

Group of Medical Equipment and Devices

1. The First Automated COVID-19 Test System at King Chulalongkorn Memorial Hospital, Thai Red Cross Society

Although it appeared that Thailand had a strong basic public health system, the outbreak of a newly emerging infectious disease such as COVID-19 had caused the medical personnel who were the frontline workers to face incredible workloads and risks of getting infected. Additionally, the increasing number of vulnerable and high risk groups resulted in the demand for a better performance in patient screening. Under such urgent circumstances, TCP Group procured an automated test system at the cost of 15 million baht and donated it to King Chulalongkorn Memorial Hospital, Thai Red Cross Society, to increase the efficiency, accuracy and speed of the disease detection. Being the first of its kind in Thailand, this Cobas 6800 system utilized FDA approved reagent to detect SARS-CoV-2, the cause of COVID-19, and Real Time PCR technique which could analyze 1,440 cases per day with the accuracy rate of 99.8%. It helped shorten the diagnosis time, reduce the possible contamination, cut down the risk of medical personnel getting infected, and lower the chance of further virus spreading among the Thai people when the disease was detected promptly.

2. Innovative Antimicrobial Face Masks as the Initial Shortage Relief

The widespread COVID-19 pandemic caused a severe shortage of face masks. TCP Group therefore supported specialized personnel by finding the suitable substitute material for making innovative fabric face masks that could prevent virus transmission and contraction at the optimum level. These alternative masks produced with special technology to increase protection were given to medical personnel throughout Thailand in order for them to have adequate gears to protect themselves while performing their duties. The face masks were also distributed to people who could not access face mask supply to help them get through this crisis.

These alternative masks made with Perma's special technique of integrating Nano-zinc oxide into the textile fibers had a lifetime antimicrobial property and could be washed over 100 times as tested by Thailand Textile Institute. More than 100,000 pieces were delivered to King Chulalongkorn Memorial Hospital, Thai Red Cross Society, and other hospitals. In addition, over 20,000 masks were distributed to general public in various communities across the country.

3. PPE Kits and N95 Masks for Medical Personnel in Provincial Hospitals Nationwide

TCP group sourced 20,000 PPE kits and 110,000 N95 masks from overseas to provide to healthcare workers throughout the country in order for them to have the adequate self-protection gears while performing their duties.

4. COVID-19 Testing Booth Innovation from King Chulalongkorn Memorial Hospital

TCP Group supported the production of 50 COVID-19 testing booths, an innovation from King Chulalongkorn Memorial Hospital as well as utilized the capacity of Durbell Co., Ltd., a company in TCP Group, to transport COVID-19 testing booths to the hospitals in need across the country. Each COVID-19 testing booth was made of clear acrylic sheets into a cuboid shape, equipped with a negative air machine and a Hepa Filter to filter and kill germs to prevent them from flowing into the uncontaminated areas. A patient would stay inside the booth during the process while a doctor or a nurse would insert his or her arms through the anterior portholes to collect secretion specimen from the patient's throat for COVID-19 testing. This helped protect the medical personnel and reduce their risk while examining patients.

On the occasion that Her Royal Highness Princess Maha Chakri Sirindhorn granted The Chaipattana Foundation to use the budget from "Chaipattana fund to fight against COVID-19 (and other epidemics)," the additional booths were purchased to provide assistance to the frontline workers, such as healthcare and medical personnel, in dealing with the COVID-19 pandemic, with Durbell Co., Ltd., a company in TCP Group, as the transportation sponsor.

5. Various Tools and Equipment to Support the Medical Personnel's Operations

In addition to medical and protective equipment, the task force that TCP Group set up to communicate with medical personnel saw an opportunity to further support their work by donating other essential tools and equipment such as air-conditioners, intercoms and other equipment to many large hospitals such as King Chulalongkorn Memorial Hospital and Siriraj Hospital, etc.

Group of Beverage Products and Survival Kits for the community

1. Red Bull beverage product group in TCP Group contributing survival kits to 50,000 families in need along with 10,000 pieces of COVID-19 protective gears including fabric facial masks, rubber gloves and face shields.

2. Distributing over 1,000,000 bottles of beverage products, such as Red Bull, Sponsor, and Hi!, produced by TCP Group's affiliated companies.

3. Setting up "Happiness Sharing Cabinets" in the communities surrounding our head office, each of which contained various products from TCP Group, dry food items and other consumer products, to supply to people in the community who were in need or faced with livelihood difficulties as a way to reduce their living expenses.

4. Contributing to community incomes through purchasing of 40,000 pieces of hand-woven cotton facial masks from Nong Bua Daeng Community Enterprise, Chaiyaphum Province.

Positive Impacts on the Society

118 beneficiary hospitals

in **42** provinces

126,000 units of equipment delivered

Aid Provided to Foreign Markets

The pandemic of COVID-19 affected the economy and society of all countries around the world. Being well aware of the magnitude of this crisis, TCP Group, as a multi-national company, provided support to all countries where our businesses were based.

People's Republic of China

1. TCP Group and our local business allies joined hands in sending Red Bull drinks to hospital staff in Wuhan to boost their morale, and making donations of over 54 million baht or over 11 million CNY to local charities that were serving in Wuhan, such as the Red Cross Society of China, Hubei Branch, and other organizations in order to help revive and restore Wuhan.

2. TCP Group donated approximately 26 million baht (or over 5.6 million CNY) to the Siyuan Project enabling them to acquire 10 negative pressure ambulances that were essential to the pandemic prevention and control efforts, as well as providing other medical equipment to hospitals in many cities, especially in Hubei Province which was the epicenter at that time.

Vietnam

1. TCPVN Co., Ltd. in Vietnam donated approximately 650,000 baht to provide relief to Bach Mai Hospital which was facing a shortage of medical equipment. In addition, approximately 130,000 baht along with Ready, Warrior, and Red Bull drinks were donated to Vietnam Fatherland Front (VFF), an agency assigned by the Vietnamese government to handle the impacts of the coronavirus pandemic.

2. TCPVN Co., Ltd. donated 2.6 million baht to Vietnam Vaccine and Biologics Research Center to support the research and production of the COVID-19 rapid tests. This funding for research and production of rapid test kits for the novel coronavirus demonstrated the company's determination in sustainable development while creating social value and improving the quality of life of the local people in the future.

Myanmar

1. TCPMM donated 7 million kyat to Mandalay Committee of COVID-19 Prevention, Control and Treatment and later another 7 million kyat to Taungyi Sao San Tun Hospital to help fight against COVID-19. TCPMM also sponsored 10 million kyat worth of Red Bull products and Sponsor drinks to healthcare personnel at Mandalay Hospital and Waibargi Hospital in Yangon.

2. On June 5, 2020, over 750,000 baht (25 million kyat) donation was made to Myanmar's Ministry of Health and Sports and "We Love Yangon" charity.

3. On October 13, 2020, over 1.2 million baht (50 million kyat) was donated to Myanmar's Ministry of Health and National Sports and "We Love Yangon" and "We Love Rakhine" charities.

TCP Group in Thailand Consists of:

GRI 102-2, GRI 102-3, GRI 102-4,
GRI 102-5, GRI 102-6, GRI 102-7, GRI 102-8

T.C. Pharmaceutical Industries Co., Ltd. (Headquarter)

Manufacturer and exporter of food and beverage products to 13 Asian countries. Manufacturer and exporter of flavoring agents used for producing Red Bull and Krating Daeng drinks that are sold worldwide.

T.G. Vending and Showcase Industries Co., Ltd.

Distribution of canned and bottled beverage via automatic vending machines and vending machine rental service. Established in 1996, the company is currently providing the service in 70 provinces with over 2,000 kiosks in various locations such as industrial factories, hotels, educational institutions, government offices, shopping malls, etc.

Headquarter Address:

288 Ekkachai Road, Khlong Bang Phran Sub-district, Bang Bon District, Bangkok 10150

Factory Address:

39 Moo 13, Bang Khanak-Ban Sang Road, Bang Taen Sub-district, Ban Sang District, Prachin Buri 25150

Foreign Markets in Asia

- Federation of Malaysia
- Republic of Singapore
- Negara Brunei Darussalam
- Republic of Indonesia
- Republic of the Philippines
- Federal Democratic Republic of Nepal
- People's Republic of China (China mainland, Hong Kong SAR, Taiwan)
- Mongolia
- Kingdom of Cambodia
- Lao People's Democratic Republic
- State of Israel
- Socialist Republic of Vietnam
- Republic of the Union of Myanmar

No. of employees

Male **944** persons
37 %

Female **1,615** persons
63 %

Distribution of Canned and Bottled Beverages through Automatic Vending Machines.

Location:
8 Soi Ekkachai 100, Bang Bon Sub-district, Bang Bon District, Bangkok 10150

Total number of kiosks:
2,000

No. of employees

Male **91** persons
74 %

Female **32** persons
26 %

Durbell Co., Ltd.

Sales and distribution of consumer products and nationwide warehouse management, offering over 17 years of experience in providing one-stop service to our partners. Providing storage space with complete warehouse management ranging from stock management, product packing and product delivering to serve the growing business.

HI-GEAR Co., Ltd.
Specializing in Organizing All Types of Promotional Activities

Under the concept of "We are committed to providing service, customer care, and delivering good services and experiences to our customers every single time, as if the customers' products are our own," the company organizes activities in all areas and in every region of Thailand and organizes all types of events from small to large scales by utilizing 6–240 employees. Our teams have more than 10 years of experience in organizing marketing activities.

Number of customers
141,134 stores

Number of delivery trucks
687 units

Number of sales service teams
558 teams

Lead time **3** days for the products to arrive at the stores

Storage space
50,000 palettes

Number of branches
24 branches

No. of employees

Male **1,703** persons
75 %

Female **553** persons
25 %

Location:
288/4 Ekkachai Road, Khlong Bang Phran
Sub-district, Bang Bon District, Bangkok 10150

No. of employees

Male **88** persons
59 %

Female **60** persons
41 %

Overseas TCP Offices

TCPVN Company Limited Socialist Republic of Vietnam
18th Floor, Viettel Building, No. 285, Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City,

TCPMM Private Limited Republic of the Union of Myanmar
HAGL Myanmar Centre Tower, Tower 2, Level 17, Unit 15, 16, 18 & 20, Kaba Aye Pagoda Road, Bahan Township, Yangon, Myanmar

TC Red Bull (Beijing) Trading Co.,Ltd People's Republic of China
Room 1610, Floor 13, Block A, 01, Floor 1-14, Building 1, Yard 59, Chemical Industry Road, Chaoyang District, Beijing

TC (Beijing) Investment Co., Ltd People's Republic of China
Room 107, North Building, No. 9 Yingbin South Road, Huairou District, Beijing.

Information of TCP Group

Product Group GRI 102-6

Energy Drink

Our products are the world's favorite and best-selling energy drinks. With our expertise and passion in product development, all energy drinks under TCP brands are efficient in boosting energy for our consumers to carry on their daily routines with alertness and vitality.

Krating Daeng (Red Bull), Ready, Ginseng Plus, Warrior, and Red Bull Extra

Functional Drink

The key to our overwhelming success lies in our ongoing product development and innovation. We started out with Mansome, Thailand's first and best-selling functional drink for men. This product has enjoyed the magnificent growth achieved through its great taste and the health benefits that men seek.

Mansome and Hi!

Snacks

Being a snack that meets all the requirements of being appetizing, fun and wholesome,

Sun Snack is made from real sunflower kernels seasoned with the unique scrumptious flavors from our secret recipe that the consumers enjoy and keep asking for more!

Electrolyte Beverage

Our robust electrolyte beverage dates back to more than three decades ago, spearheaded by Thailand's number one sports drink, Sponsor. Today, we offer a wide range of options for active people who look for refreshment that comes with tastiness and great benefits.

Sponsor and Sponsor Active

Ready-to-drink Tea and Fruit Juice

The uniqueness of "white tea" which is the most beneficial part of tea leaves is combined with the selection of the best ingredients from various sources to deliver tasty ready-to-drink tea favored by young people.

Puriku and Riku.

Service Group

Automatic Vending Machine Service

Automatic vending machine service for distributing different kinds of beverage including carbonated drinks, fruit juice, coffee, tea, Sponsor, Red Bull and others. Conforming to the international standard, our vending machines are 100% imported from Japan. With more than 25 years of experience in automatic vending machine business, our team is ready to offer professional guidance to our partners from business initiation all the way to after sales.

Logistic Fulfillment

Warehouse Management System service by Durbell Company Limited

OEM Service for Beverage Production

One-stop beverage production and distribution service starting from product development collaboration with customers, product testing and test run, packaging design, product quality control, FDA license registration as well as product distribution and supply chain management.

Distribution Service

Distribution service in a full range, coupled with more than 17 years of experience, ready to be provided to our partners.

Market Activation

Promotional activity service that employs a professional team under the concept of "Experienced team delivering the service with commitment, creativity, sincerity, and validation."

tcp

Vision

TCP Group is a great Thai enterprise representing all that is good about Thailand and brings honour to our country on the global stage through our products and services.

Mission

OUR PRODUCTS & SERVICES

are innovative and of world class quality.

OUR TRADE PARTNERS IN THAILAND AND AROUND THE WORLD

always receive the right product, at the right place and time in the most efficient way because we optimize our route to market.

OUR PEOPLE

think global and are always consumer-centric, working with a high performance culture to build a high performance.

OUR ORGANISATION

respects the planet and society and integrates sustainable practices throughout our value chain and wherever we do business.

> " Conducting business with integrity, executives and employees at all levels of the TCP Group operate the business according to the vision, mission, and goals of the organization. "

Organizational Culture:

Proactive, Positive, Supercharged
I'm all for it, are you? GRI 102-16

Customer Focus:
Be Creative and Customer Relationship

Be creative and innovative. To deliver excellent products, services and experiences to both internal and external customers.

Commitment:
Be determined and make wise decisions

Driving action and result. Find new opportunities to solve problems to reduce risks. Make wise decisions based on cause and effects.

Hyper-collaboration:
Be collaborate and unleash potential

Communicate to create positive energy and unity. Develop the potential, overcome obstacles and Celebrate success together.

Challenging Spirit:
Be brave to do and ready for changes

Ready to fight with problems. Flexible and adaptable in any situation. Never hold on to the past success.

Data & Tech Savvy:
Be advanced with technology

Use information and technology to empower to work more efficiently and accurately to maximize the benefits of customers and organizations.

Creating Sustainable Economic Value [GRI 201-1]

In 2020, TCP Group achieved the following key economic performances:

Direct Economic Value Generated

Total Annual Revenue

2019	**46,718.04** million baht	Overseas **58%**	Domestic **42%**
2020	**42,527.78** million baht	Overseas **65%**	Domestic **35%**

Revenue Proportion

Direct Economic Value Distributed

Operating Costs
2019 **35,632.72** million baht
2020 **31,943.77** million baht

Employee Benefit Expenses
2019 **1,716.66** million baht
2020 **2,359.23** million baht

Social Expenses
2019 **87.68** million baht
2020 **178.19** million baht

Contribution to the Goverment
2019 **1,882.18** million baht
2020 **1,609.92** million baht

* Reporting cycle: January 1 – December 31, 2020
* List of companies in the report
  The companies included in the calculation consist of:
  T.C. Pharmaceutical Industries Company Limited
  T.G. Vending and Showcase Industries Company Limited
  Durbell Company Limited
  Hi-Gear Company Limited

Standards and Awards of Pride in 2020 [GRI 102-12, GRI 102-13]

TCP Group was awarded with ISO 27001 Information Security Management Certification from the British Standards Institute or BSI (Thailand). It is considered a tool for ensuring the security of both digital data and corporate document systems to enhance confidence in and credibility of the company for all groups of stakeholders.

In Vietnam, Hainan Red Bull Drink Plant was granted two international standard certifications: 1. FSSC 22000 Food Safety System Certificate, the standard for safety of product delivered to the consumers, and 2. ISO 9001:2015, the international standard for quality management systems.

T.C. Pharmaceutical Industries Co., Ltd. (Prachin Buri) received the Corporate Social Responsibility Standard Award (CSR - DIW Continuous Award) for the sixth consecutive year, reflecting the dedication and intention of the organization in complying with the laws and regulations related to social responsibility and participation in community development.

The company was presented with the Sustainability Disclosure Recognition Award, a prestigious award, reflecting TCP Group's recognition of the importance of the information disclosure to the public and relevant stakeholders in economic, social and environmental aspects.

The "Siyuan Project Poverty Alleviation Foundation Special Contribution Award" was given for providing support to the fight against COVID-19 pandemic by donating over 5.6 million CNY (approximately 26 million baht) to the "Si Yuan" project.

THE SUSTAINABLE BRAND Award was a prestigious award bestowed by the "Longtun Man (Invest Man)" website in recognition of TCP Group's commitment to creating a sustainable Thai society.

ASEAN Business Awards 2019 for large food and beverage companies that demonstrated the outstanding in financial stability, the business strength in the ASEAN region, the product and service innovation, the human resource management and the consciousness for sustainability in their business operations.

Granted membership of the following organizations:

Sustainability Management

TCP Group publishes a sustainability report with the objective of disclosing the information on its economic, social and environmental performances, reflecting the consciousness in sustainable development on the issues critical to business operations and all stakeholders.

Building a Relationship with the Stakeholders

In today's world where changes, complexity and uncertainty occur all the time, it can be extremely challenging to run a business smoothly to achieve the goals and maintain a sustainable growth. Understanding those involved or the stakeholders of the business and our responses to their expectations are some of the key elements that help our business survive and thrive. Therefore, TCP Group values listening to different groups of stakeholders and using engagement approach as a guideline for building a relationship with stakeholders.

TCP Group's list of stakeholders was the outcome of a process of analyzing, screening and prioritizing as follows:

Stakeholder Analysis Procedure ^{GRI 102-42}

1. Identifying the stakeholders

Representatives of each business unit participated in a meeting to identify the stakeholders using "Stakeholder Identification" and "Stakeholder Registration" forms.

2. Prioritizing the stakeholders

Organizing a workshop where scores were given in each question including 1) the level of each stakeholder's influence on the operations of the organization in the areas of economy, society and environment, and 2) the effect level of organizational operations on each stakeholder in terms of economy, society, and environment. The stakeholders were put in an order according to their scores.

3. Establishing a measure for managing the stakeholders

An analysis on the stakeholders' benefits and impacts on TCP Group's operations and their expectations was conducted in order to establish a measure to manage each group of stakeholders based on their priority.

4. Content review and approval

The Corporate Relationship Director reviewed the document content to ensure the correct document preparation process and result before presenting it to the Chief Executive Officer for an approval.

From this process, the stakeholders were divided into 7 groups as follows:

1. Consumers
2. Community and society
3. Employees
4. Non-governmental Organizations (NGOs)
5. Government agencies
6. Suppliers/ contractors
7. Customers

In 2020, the executives and employees of TCP Group followed below guidelines for establishing the engagement with the stakeholders.

Guidelines for Engagement and Communication ^{GRI 102-40, GRI 102-41, GRI 102-43, GRI 102-44}

Stakeholder Groups	Channels of Engagement	Company's Executions
1. Consumers	• Communicate, respond to questions and receive complaints » E-mail » Facebook/websites of the company and the product » By phone • Organize company's activities for volunteers (TCP Spirit) to allow consumers to take part in social service activities • Conduct in-depth group interviews to learn the consumers' opinions and needs	• Operate in accordance with food safety management system standards • Produce and distribute healthier choice of products
2. Community	• Survey the needs of the communities surrounding the manufacturing plant • Informally visit the area to meet the community (on a regular basis) • Participate in and support community activities such as community relations activities, traditional events and festivals (by occasion) • Provide aid to the community in the event of natural disasters • Initiate community development projects	• Implement aid projects to help society/community during COVID-19 pandemic, after natural disasters such as floods and even in a normal situation
3. Employees (employees' family and future employees)	• Town hall meeting between management team and employees • CEO Tea Time • Training (according to the occasion and importance of each area) • Regular employee survey • Channels for receiving complaints • Communication via public relations bulletin board, e-mail, morning talk, and company's website • Weekly or monthly department meeting	• Set up various employee development programs • Take care of occupational health and safety for employees • Formulate a policy to prevent and monitor the spread of COVID-19
4. NGOs	• Receive opinions from various channels • Collaborate as a network	• Good corporate governance • All-round environmental management
5. Government Agencies	• Meetings, seminars, and trainings (according to the occasion) • Implement government activities • Conduct social and/or environmental projects in collaboration with the government and non-profit organizations • Participate in government activities both formally and informally	• Good corporate governance • All-round environmental management • Risk management • Anti-corruption practice • Compliance with legal
6. Suppliers/ Contractors	• Communicate via e-mail, company's website and by phone (on a regular basis) • Open House (by occasion) • Participate in activities both formally and informally (by occasion) • Receive complaints through "Integrity Line"	• Good corporate governance • Risk Management • Revamp purchasing and procurement procedure • Compliance with legal requirements, including the implementation of new measures according to the situation such as epidemic prevention measure
7. Customers	• Communicate via e-mail, company's website and by phone (on a regular basis) • Communicate through company's staff	• Good corporate governance • Risk management • Compliance with legal regulations • Express care and provide support during crises such as epidemics to ensure the continuation of the customers' businesses

Assessment of the Sustainability Aspects

TCP Group's sustainable development team conducted an analysis of its significant stakeholders' expectations by conducting workshops with relevant personnel along with organizing workshops within the organization while studying internal documents and information in order to analyze economic, social and environmental risks throughout the supply chain. This was a precursor to the organization's sustainability framework which was an important element in driving the corporate strategy for sustainable and concrete development. The process and assessment of sustainability aspects included the following:

Identification of material aspects.

Prioritization of the important sustainability aspects.

Validation

Continuous review and improvement

Assessing the Sustainability Aspects

Step 1 Identification of material aspects.

The aim of this process was to create a list of relevant topics and select sustainability aspects consistent with the business operations that had significant impacts on the economy, society, environment and the stakeholders' decisions. In the process, data from researches, forecast of economic, social and environmental trends, alignment with the organization's strategy, vision and mission, and relevant beverage business information were added to the preparation of information used in the consideration of the corporate sustainability context. Together with the relevant internal experts and the external sustainability experts, TCP Group identified and selected the aspects that were clear and relevant to the organization's strategy.

Step 2 Prioritization of the important sustainability aspects.

This process was an assessment and filtration of the whole list of all relevant matters to get the significant aspects. During which, the sustainability factor analysis at the aspect-level was performed and a decision on the organization's approach was made to address each significant aspect. In this process, sustainability aspects were taken into account and screened through a Materiality Test for the aspects that had significant impacts on the organization and the stakeholders. The prioritized aspects would then be implemented as a guideline for formulating the framework of sustainability

Step 3 Validation

TCP Group conducted a review and assessment of each sustainability aspect identified as a material aspect against the Completeness principle before taking actions. This was to ensure that the selected aspects were drawn from the previous prioritization process.

Step 4 Continuous review and improvement

TCP Group arranged for a continuous review of the sustainability report preparation and disclosure to enable the stakeholders to be informed of the operational guidelines and the sustainability disclosures.

Outcome of the Key Sustainability Aspect Prioritization

The substantive test results could be summarized in form of a graph showing the material aspects scattered in the four quadrants (divided by the intersecting dash lines). The aspects in the "upper right corner" area were put into the consideration as they had a high degree of influence on the stakeholders' assessments and decisions as well as a high degree of economic, social and environmental impacts. These aspects included some critical issues such as anti-corruption, health and customer safety.

Through all these procedures and processes in reviewing and evaluating the sustainable development aspects of the business group, studies and reviews of important information contributing to the sustainability framework were conducted including those of the current status of corporate social responsibility, an analysis of economic, social and environmental risks within the scope of the supply chain and an analysis of the significant expectations of the stakeholders that were consistent with the economic and social conditions of ASEAN and Asia. This was the initial information to be used for considering the material aspects through various important processes including identifying sustainability context related to the organization, prioritizing the sustainability aspects relevant to the organization, and verifying the completeness of the business group's sustainability aspects selected by the organization. Those processes were conducted with participation at both the management and employee levels based on good corporate governance and human resource development. The ultimate goal was to ensure health and safety of the consumers, happiness of the employees, the business partners and the communities, as well as the conservation of natural resources and the environment so that the sustainability framework could be created. Such a framework could be described as follows;

6 Core Pillars of the Path to Sustainability

The Sustainable Winning Power Momentum
พลังชัยชนะที่ยั่งยืน

Integrity
SUPPLY CHAIN SUSTAINABILITY
RESPONSIBLE BUSINESS

Quality
NUTRITION AND FOOD SAFETY
QUALITY OF LIFE IN WORKPLACE

Harmony
ENVIRONMENTAL FRIENDLY
SOCIO-ECONOMIC DEVELOPMENT

Level of Influence on the Stakeholders' Assessments and Decisions (y-axis)

Level of Significance of the Economic, Social and Environmental Impacts (x-axis)

- Anti-corruption
- Label and product display
- Water
- Water supply and wastewater
- Economic impacts
- Risk assessment (human rights)
- Energy
- Health and safety
- Diversity and equality
- Environmental assessment of business partners
- Local community
- Non-discrimination
- Good corporate governance
- Legal compliance (social aspect)
- Occupational health and safety
- Employment
- Training and education
- Procurement and purchasing procedure
- Legal compliance (environmental aspect)
- Customer privacy
- Partner evaluation (social aspect)
- Role in the market
- Indirect economic impact

Supporting the Sustainable Development Goals

TCP Group considered integrating the Sustainable Development Goals (SDGs) into its operations under the six pillars of the sustainability framework according to the operational capabilities of the organization. This was to propel the company's operations toward the Sustainable Development Goals. So far, 13 out of the total of 17 goals had been supported.

Supply Chain Sustainability

Responsible Business

Quality of Life in workplace

Nutrition and Food safety

Environmental-Friendly

Socio-Economic Development

Structure of the Sustainable Development Committee and Working Group

TCP Group defined an operational structure for the sustainable development in order for the sustainable development management and operations to reach the goals that had been established.

Chief Executive Officer TCP Group

Sustainable Development Committee

Sustainable Development Working Group

Supply Chain Sustainability	Responsible Business	Quality of Life in workplace
Nutrition and Food Safety	Environmentally Friendly	Socio-Economic Development
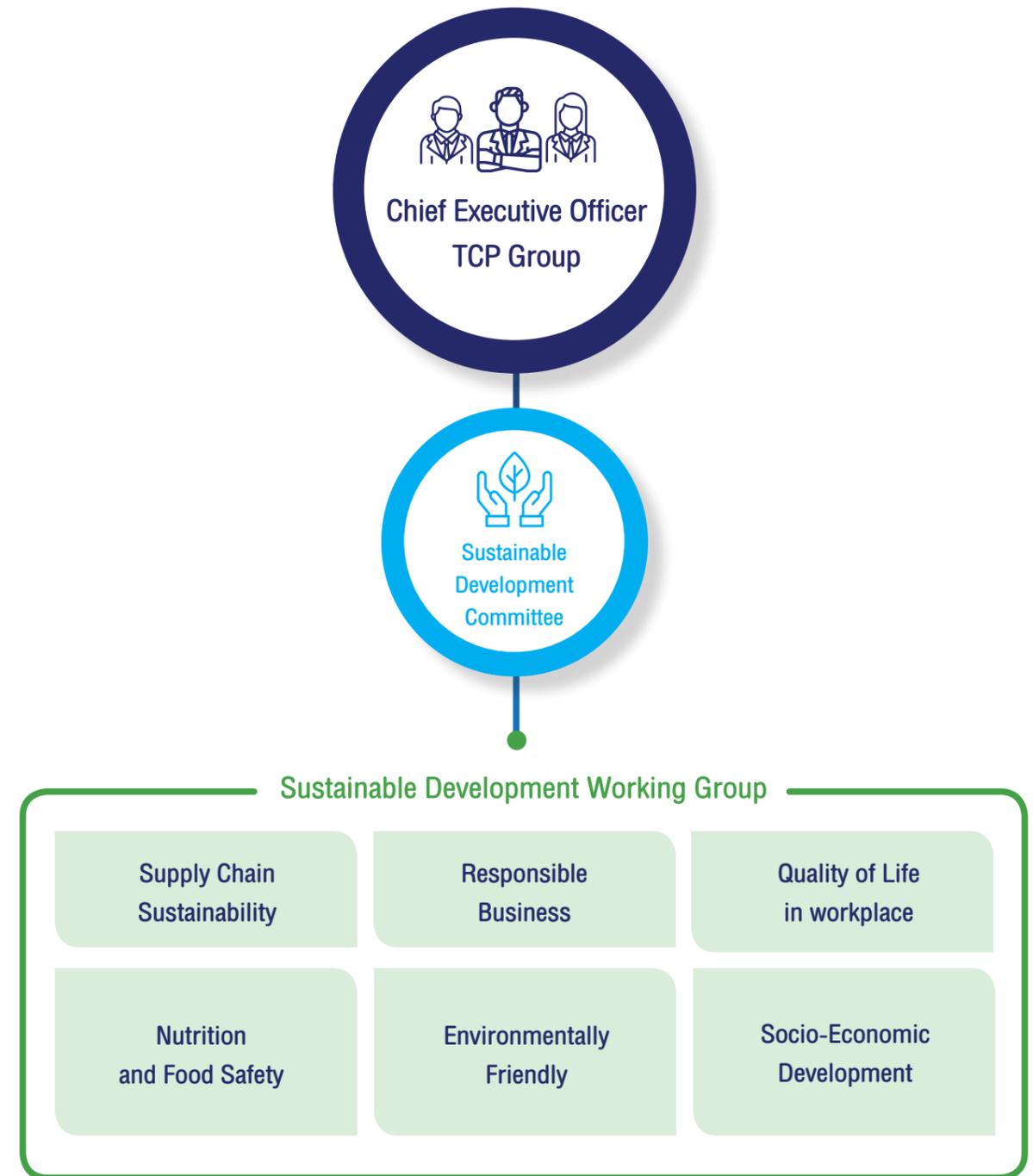
Responsibilities of the Sustainable Development Committee

GRI 102-49, GRI 102- 50, GRI 102- 51, GRI 102- 52

1 Establish a sustainable development policy.

2 Provide consultation and approve frameworks, policies and procedures in accordance with the sustainable development direction.

3 Provide consultation and approve budget plans for social service projects and sustainable development.

4 Provide consultation and command personnel development to acquire the potential for sustainable development.

5 Supervise and follow up on the sustainable development in order to progress according to the established plans and policies, as well as provide advice/direct/command solutions to problems and obstacles in the company's sustainable development.

Responsibilities of the Sustainable Development Working Group in 6 Areas

1 Review the SDGs in each aspect according to the responsibilities.

2 Set long-term plans to achieve the goals.

3 Follow up on the implementation of the approved programs and collect the progress data to present to the Sustainable Development Committee on a monthly basis.

About This Report

Preparation of the Sustainability Report

TCP Group is committed to preparing the sustainability report annually. This report is the second in continuation of the 2019 Sustainability Report released to the public in February 2020.

Framework of the Report

This Sustainability Report has been developed in accordance with the sustainability reporting guideline of the Global Reporting Initiative Standards (GRI Standard) at the core option level.

Purpose of the Report

To communicate the company's commitment and disclose to all stakeholders the information on company's performance in the areas of economy, society and environment, reflecting the operations that takes into account the sustainable development on the aspects that are important to business operations.

Scope of Operation

This sustainability report offers the information on the companies in TCP Group, comprising T.C. Pharmaceutical Industries Co., Ltd.; T.G. Vending and Showcase Industries Co., Ltd.; Durbell Co., Ltd.; and Hi-Gear Co., Ltd., among which Hi-Gear Co., Ltd. reported for the first time with its data from 2020. The company shall report only the number of employees and the amount of fuel consumption on work-related trips. However, the reporting of The Red Bull Beverage Company Limited has been canceled due to the fact that the company transferred its employees and activities to be merged with those of Durbell Company Limited in 2020. The information in this report is from January 1–December 31, 2020.

The United Nations' Sustainable Development Goals

TCP Group has set goals and reported on the operations that are in line with the United Nations' Sustainable Development Goals (SDGs).

Communication Channels

GRI 102- 53

🌐 Website : www.tcp.com

📘 Facebook : TCP Group

✉ Post : Sustainability Program Section, Corporate Relations and Communication Department

T.C. Pharmaceutical Industries Company Limited (Headquarter) 288 Ekkachai Road, Khlong Bang Phran Sub-district, Bang Bon District, Bangkok 10150 (Headquarter)
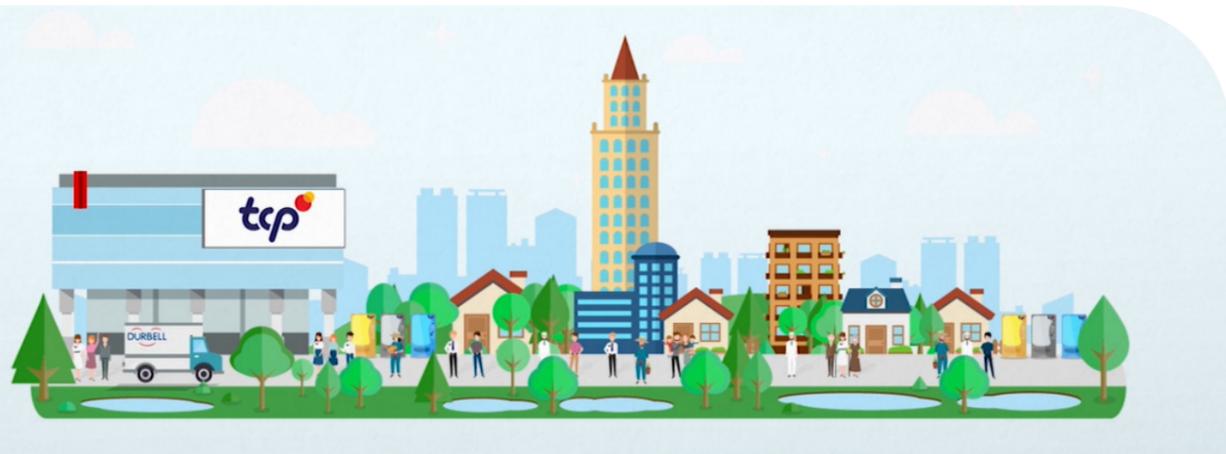
📞 Phone : 02-408-0900

📠 Fax : 02-417-1200

Value Chain of TCP Group ^{GRI 102-9}

TCP Group is committed to operating with responsibility to its stakeholders. Producing and delivering quality products to consumers are essential to the sustainable growth of the business. We therefore operate our business with a focus on the value chain that includes different processes starting from procurement and purchasing, production, transportation, marketing and distribution before reaching the consumers.

Procurement and Purchasing

- Establish procurement and purchasing policy along with product and service risk management to create operational guidelines to be informed to the trading partners and other relevant departments while being checked to ensure the compliance with the standards.
- Promote sustainability self-evaluation process for key trading partners. Social and environmental factors and corporate governance are taken into account to assure that the products and services get into the hands of consumers safely.
- Conduct business with trading partners in a transparent and fair manner, providing a channel for receiving complaints. Malpractices can be reported via the Integrity Line.

Production Process and Management

- Control of production process and product quality: Through good hygiene management, preventing and eliminating the risks of food becoming hazardous or harmful to the consumers by complying with GMP, HACCP, and FSSC22000 standards.
- Environmental impact consideration: Production processes that conform to international environmental standards such as ISO 14001 and ISO 50001 and also received the Green Industry Level 4 Award from the Department of Industrial Works.
- Energy and resource utilization: Using renewable energy from solar energy and palm kernel shell biomass fuel with a focus on maximizing benefit from resource utilization as well as undertaking a project that aims to cut down plastic consumption for making plastic packaging and reduce thickness of aluminum can packaging, etc.
- Focusing on the stewardship of the surrounding communities: By following ISO 26000 framework, receiving the Award of Industrial Promotion Project for Sustainable Social and Community Responsibility from the Department of Industrial Works for the 6th year.

Product Distribution

- Nationwide distribution centers with more than 24 branches across every region: with over 2,000 experienced sales personnel, over 500 sales car units and transportation vehicles.
- Practice safety control by imposing safe driving discipline on the drivers while being mindful of fuel efficiency through the use of state-of-the-art technology; 100% of the fleet is equipped with GPS.
- Continuously improving technology: Over 2 billion baht invested in technology development in the areas of sales, marketing and logistics to increase the efficiency of sales and distribution.
- Fast product delivery system reaching the destination within 48 hours: A nationwide network of more than 140,000 retailers accessible through the distribution channels of Durbell Company Limited.
- T.G. Vending and Showcase Industries Co., Ltd. distributes canned and bottled beverages through automatic beverage vending machines to increase distribution channels of corporate products while adhering to the ideology of providing good service, being considerate, tending to the environment, and keeping in mind the main goals of customer satisfaction and good impression.

Sales and Marketing

- Do marketing and public relations to express responsibility toward consumers and society in order to create awareness and build a good image for the products such as Red Bull, Ginseng Plus, Ready, Sponsor, Mansome, Puriku, Riku, Hi! and Sun Snack.
- Practice fair competitions with regard to trade ethics and competition law in different countries. Continuously build relationships with partners, customers, and consumers at the optimal fair prices.
- Organize promotional activities by employing professional teams from Hi-Gear Co., Ltd. that operates with the concept of "experienced teams delivering the service with commitment, creativity, sincerity, and validation." through personnel specialized in organizing various types of activities throughout Thailand.

Customers and consumers

"Delivering food and drink" manufactured with the production standards that have been certified to have quality and safety to the hands of the consumers.

Value Chain of TCP Group
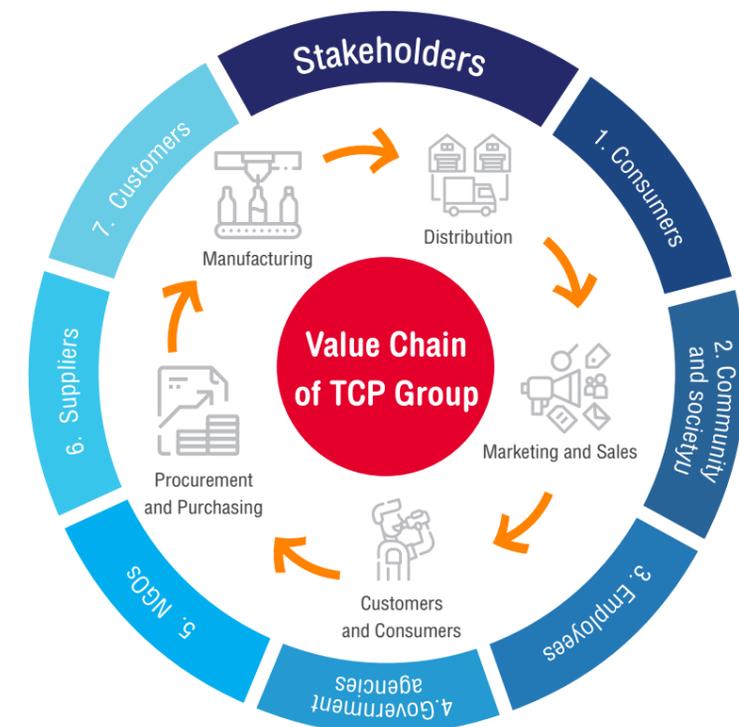
- Stakeholders
- 1. Consumers
- 2. Community and society
- 3. Employees
- 4. Government agencies
- 5. NGOs
- 6. Suppliers
- 7. Customers

Manufacturing · Distribution · Marketing and Sales · Customers and Consumers · Procurement and Purchasing

Sustainable Development Guideline and Performance

TCP Group follows a sustainable development guideline by being committed to integrating the concept of sustainability in every process wherever it conducts business. The company places great importance on supporting the implementation of activities for society and the surrounding communities, as well as caring for the environment continually. The sustainable development guideline consists of 6 aspects as follows:

1. Analyze the challenges It is an analysis of internal or external situations that occur in terms of economy, society and environment that are line with each aspect of sustainable development.

2. Establish goals Set 5-year long-term operational goals and yearly short-term goals for each sustainability aspect. These goals are consistent with the international sustainability development and the operational direction of the organization. In order to reach the specified goals, a yearly action plan is formulated and then approved by the Sustainable Development Committee.

3. Build a strategy This is a strategy that makes a balance in the aspects of economy, society and environment, creates value for the stakeholders and boosts support for the business strategy. In addition, it also leads to beneficial activities for the society in various aspects.

4. Manage TCP Group has formed a sustainability management structure comprising the Sustainable Development Committee and the Sustainable Development Working Group to address six sustainability aspects, as well as created a sustainable development framework and action plan that includes monitoring, pre- and post-implementation data collection, which will lead to the preparation of a sustainability report.

5. Operate It is the annual presentation of the sustainable development performance in all six aspects that consist of developing a sustainable supply chain (Supply Chain Sustainability), conducting business responsibly under the principles of good governance (Responsible Business), promoting nutrition-and-safety-oriented products (Quality of Products and Services), fairly developing personnel's quality of life (Quality of Life), conducting environmentally friendly business, and taking part in developing and improving economy and society (Socio-Economic Development).

Challenges → **Establish goals** → **Build a strategy** → **Manage**

Key Sustainability Performance in 2020

Responsible Business
- 100% of employees in M and L levels passed Code of Conduct test administered via chat bot.
- 26 representatives of relevant employees completed human rights risk assessment workshop.
- 75% conducted an ERM risk assessment.

Sustainable Business Allies
- 100% of current business partners acknowledged Supplier Code of Conduct.
- 100% of key suppliers completed the sustainability self-assessment.
- 80% of the main material purchase value came from domestic producers.

Personnel Quality of Life
- Total employee training hours of 54,623.
- 2 times of over-3-day work halt caused by an accident.
- No event resulting in death or disability from work.

Quality of Product and Services
- 64.18% of the total number of products were health products.
- 61% of the total production volume passed FSSC 22000 Health and Safety Impact Assessment.
- 100% of complaints received at the Consumer Data Center were handled and settled through complaint management process.

Environmental Protection
- 7 Items (SKUs) assessed for Carbon Footprint of the product.
- Water consumption rate per production unit of 2.28 liters/liter of product.
- Energy consumption rate per production unit of 1.23 mega Joule/liter of product.
- 10.58 million cubic meters of water collected in TCP Embracing Thailand River Basin Project.
- 43% of general waste that was recycled.
- No significant environmental complaints.

Sustainable Community
- 10,156 beneficiaries from the project.
- The project's economic value of 5,470,949 baht.
- Implemented projects in the 11 provinces where our business was based.

Good Corporate Governance

Responsible Business

In order for a business to achieve sustainable growth, it must implement a "Good Corporate Governance" as a cornerstone for building credibility and trust for the stakeholders of the business. This is especially true in the modern world where people in the society and the stakeholders expect a business to be transparent, legitimate and accountable. Implementing good governance in business operations will be a key mechanism for long-term immunity that will enable the business to gain trust and confidence of the customers, partners and employees. Therefore, applying the principles of good governance to the business will help meet the long-term sustainability of the organization and meet the needs of society at the same time. TCP Group has therefore adopted the principles of good corporate governance as a guideline covering all important aspects, complying with business-related legal regulations, as well as conducting a risk management assessment for the risks that may occur to the organization by forming a working group to consider ways of working in various fields together.

In 2020, with the world facing the crisis of the COVID-19 pandemic, the company's Board of Executive Committee clearly demonstrated that, with good corporate governance, this organization did not only consider business interests, but through values, culture and ethics in its operations, also considered the benefits and well-being of stakeholder groups, whether they were business partners, consumers, communities, society and employees.

The Board of Executive Committee approved a budget of more than 50 million baht in organizing aid programs to provide assistance to those who were affected, regardless of their groups and ranks, during that time and placed great importance on being an organization of good governance in all aspects with the aim of reducing the risk of the pandemic spread.

Corporate Governance

The TCP Group has established corporate governance strategies as follows:

1. Manage the organization based on the principles of good corporate governance, promoting good governance within the organization starting from establishing a good corporate governance policy, arranging communication and training for employees to understand the policy and reviewing the corporate governance board and its structure.

2. Set up a comprehensive risk management system and organize trainings for departments to define and plan for risk prevention both at the departmental and corporate levels.

3. Promote business ethics and anti-corruption policy for employees at all levels and its business partners. In addition, the Whistle Blowing Policy has been set up in order to investigate the information to find facts to be used as evidence in the prosecution of the persons involved, whereby the whistleblower will be safely protected.

4. Reduce the risk of breaking the law by reviewing the laws at risk and organizing trainings to educate relevant employees and management of the newly imposed law.

The TCP Group operates its business responsibly through an efficient, transparent and auditable management system. The company is committed to perpetually improving corporate governance to order to become an efficient organization, focusing on taking care of the best interests of the customers, partners, communities, society, environment and relevant stakeholders, as well as the well-being of the employees while being consistently responsible to the society. The company strives to be able to continuously meet the challenges and seek business opportunities while managing the principles of good corporate governance based on values, culture and business ethics to create added value for stakeholders in both short and long term.

Good Corporate Governance Management

1. Corporate Governance: There are internal structures and processes established by the group in order to direct and monitor the performance of the entity so as not to cause any damages to the business but to have the ability to create added value and promote stable growth.

TCP Group Organizational Chart GRI 102-18
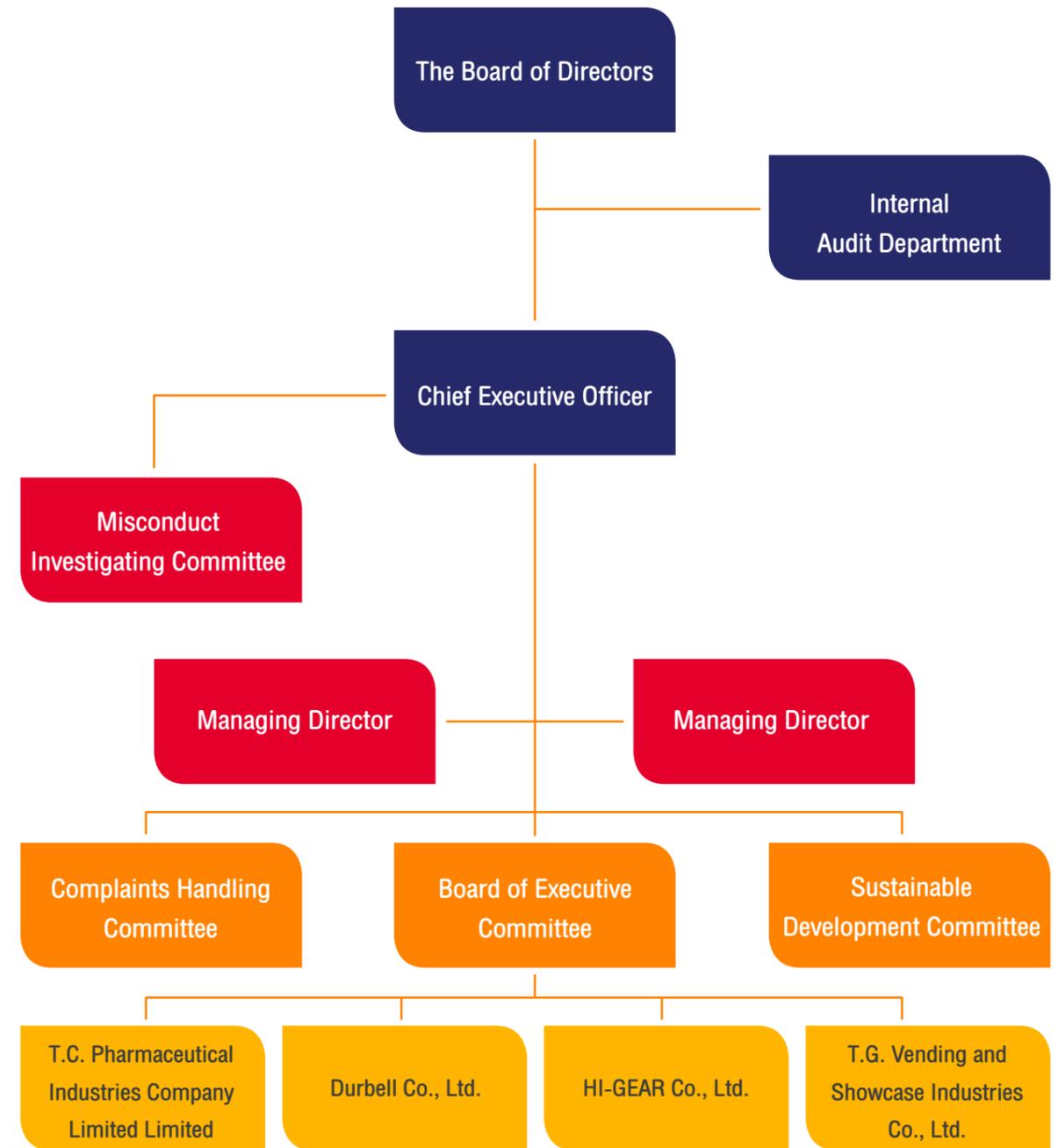
2. **Code of Conduct:** It is a good practice in conducting business that adheres to ideology. The company has made a Code of Conduct handbook as a part of the regulations for the employees of TCP group to adherently practice together in the appropriate ways in order for the company to achieve its objectives in maintaining the code of conduct. In 2020, TCP Group's Code of Conduct communication channels were established as follows:

   1. Communication of the Code of Conduct handbook in the orientation of new employees and executives.

   2. Conducting online tests via chat bot with the goal of having all employees passing the test by 2023 and requiring 100% of the employees at M and L levels to pass the test.

The test topics consist of the following; GRI 205-2

- Code of Conduct for Inside - Outside TCP Group
- Confidentiality
- Harassment
- Good governance, social responsibility and corruption
- Accepting presents, gifts, assets or other benefits, and business entertainment
- Respect for human rights
- Political participation
- Monitoring to ensure the operations of receiving clues/complaints and handling of violations.
- Code of Business Conduct
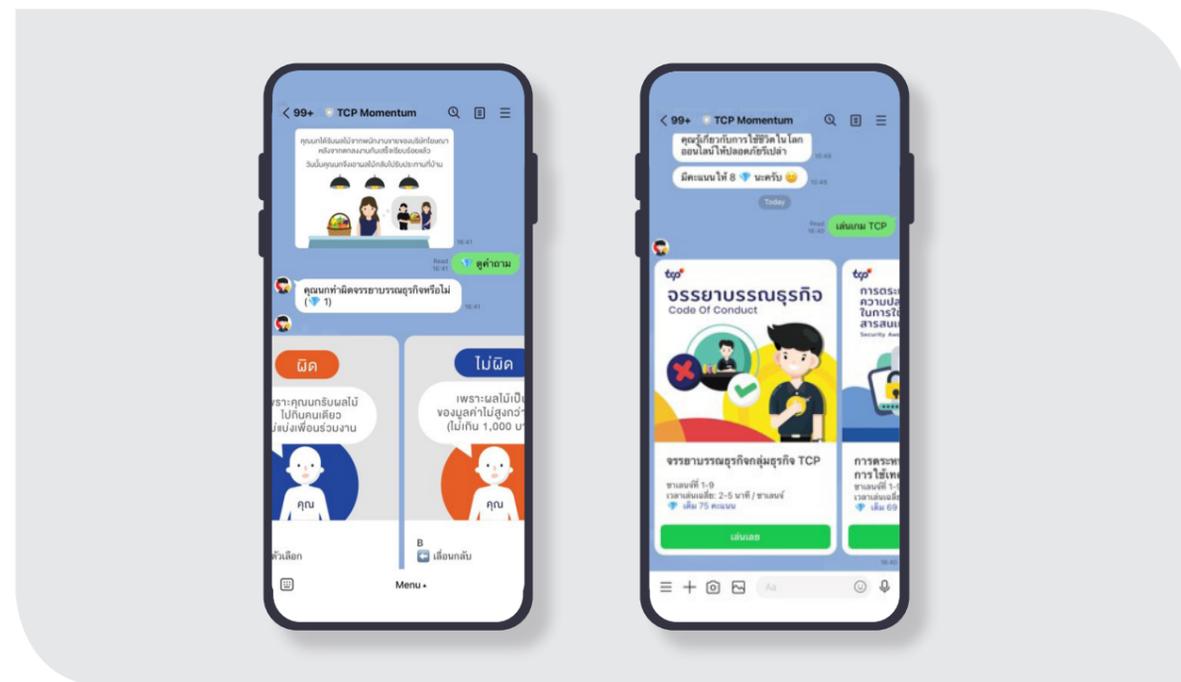
3. **Anti-corruption:** It is to ensure that the group has clear guidelines for business operations to develop into a sustainable organization. The policy covers duties, responsibilities, practices, and proper operational regulations to prevent corruption in all business activities and to ensure the careful consideration and treatment of the business decisions that may be at risk of corruption. The Anti-corruption-related communications are implemented through the Code of Conduct handbook along with other channels.

4. **Declaration of Intent to Supervise the Regulatory Compliance of Operations(Compliance)** GRI 419-1 : The organization attaches great importance to the management of regulatory compliance by announcing the group's intent in terms of anti-corruption, trade competition promotion, as well as review of the compliance with key laws related to its business operations.

TCP Group has put in place a legal management system in order to be in line with the company's business operations based on the relevant legal practice guidelines and to incorporate the management system guideline according to the international standards including the following;

1. Study the law and regulations of each country in which the company will operate its business.

2. Assess the risks and the compliance with the law and related regulations before taking action to start the business such as company registration, obtainment of a license as required by the law, etc.

3. Follow up and support the operations of each internal department in order to correctly comply with the law.

4. Regularly report performance results to the management.

In addition, the company also prepares for the possible adjustments to the constantly changing laws by conducting the examination of the law amendments as well as the newly enforced laws and then informing the details to the relevant internal departments for taking further actions, such as preparing the concerned sectors to comply when the Water Resources Act is enacted, when the sugary drink tax rate of healthy drinks is imposed, etc.

Since the promulgation of the Personal Data Protection Act 2019, the company had been continuously studying and analyzing the law and following up on the additional regulations related to the Personal Data Protection Act 2019 to prepare for the handling of personal information in its possession before the law took effect on June 1, 2021. The company announced the implementation of the Personal Data Protection Policy and Privacy Policy, and appointed the Data Protection Officer and working group to ensure the company's complete compliance with the law

5. **Promotion of Trade Competition (Anti-trust):** The Group is determined to compete in fair trade, taking into account the business ethics and competition laws in the countries in which the company does its business.

6. **Establishing Operational Values and Culture:** The Group has established the work values and culture for executives and employees at all levels based on the moral and ethical principles to follow in their work practices through various activities.

7. **TCP Integrity Line as the Complaint and Whistleblowing System for Good Governance:** It is a channel for all stakeholders of TCP Group to use for whistleblowing or making complaints about incidents or actions that are inconsistent with its business ethics, including corruption cases in order for corrective actions to be taken properly.

Internal Audit Department is an independent department that reports directly to the Board of Directors of TCP Group, acts as a whistleblower / complaints receiver for actions that may raise suspicions of violating business ethics, including corruption directly or indirectly against the company. The report can be done through the following channels:

- E-mail : internalaudit@tcp.com
- TCP Group Website : https://integrity.tcp.com
- Letters or documents addressed to "Internal Audit Department"
  Address: T.C. Pharmaceutical Industries Company Limited
  288 Ekkachai Road, Khlong Bang Phran Sub-district, Bang Bon District, Bangkok 10150

Risk Management (GRI 102-15)

Placing importance on corporate risk management, the company has set up a risk management department to receive policies and comments from the Board of Directors in order to work with the business units. This is to enable the organization-wide practices, including reviewing, monitoring and reporting of significant risks to the Board of Directors.

TCP Group manages Enterprise Risk Management in accordance with the international standards of COSO ERM (Enterprise Risk Management - Integrated Framework, the Committee of Sponsoring Organizations of the Treadway Commission) (Figure 1) and uses ISO31000 (Risk Management, Australian / New Zealand Standards: AS / NZS ISO 31000) (Figure 2) as an enterprise-wide risk management tools.

ENTERPRISE RISK MANAGEMENT

(Figure 1)

Risk Management Process

Scope, context, criteria
Risk assessment
Risk identification
Risk analysis
Risk evaluation
Risk treatment
Recording & reporting

Communication & consultation

Monitoring & review
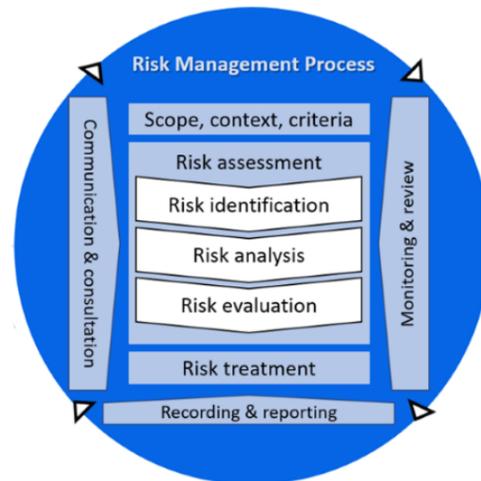
(Figure 2)

The Company's Risk Management Process in 2020

1. Identify the corporate risks by focusing on management of the four main aspects of risk factors including strategy, operations, finance and compliance with relevant law and regulations.

2. Determine risk assessment criteria and the risk appetite to define measures to manage high risks.

3. Conduct risk evaluation according to the determined risk assessment criteria and establish a Risk Profile to manage and keep risks within the risk appetite.

4. Set risk treatment measures for high risks and those exceeding the acceptable risk level of the company.

5. Monitor and review the organization's critical risks, particularly the risk management measures, to ensure the proper management of critical risks.

Risk and Risk Management Guideline

Impact	Rare	Unlikely	Possible	Likely	Quite certain
Critical				3 1 / 2	
Significant			6 / 10 / 11 13	4 / 9 5 / 7	
Moderate				8 / 12	
Low					
Very low					

Risk Probability
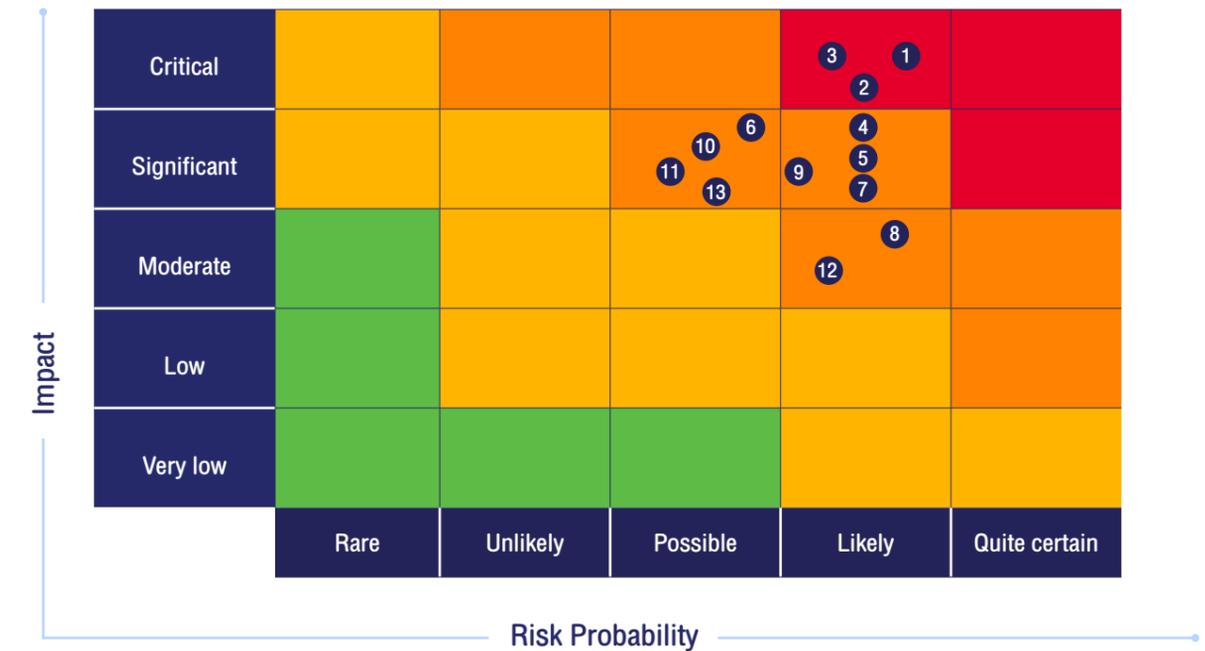
Risk topics

1. Relying on Distributors
2. Negative Brand Images
3. Stakeholders' Relationships
4. Industry Competition
5. Slowdown in Economic Recovery
6. Capacity expansion
7. Lack of potential Principals
8. People and Org. Mgmt.
9. Product Cost Competitiveness (RM PM OH)
10. Law and Regulations Compliance
11. IT Security
12. Process weakness
13. Fx Volatility

References:
Figure 1: https://www.coso.org/Documents/COSO-ERM-Presentation-September-2017.pdf
Figure 2: ISO - ISO 31000 - Risk management

The top three major risks are:

1. Relying on Distributors

TCP Group sells its products and operates through a number of distributors in many countries in which the distributing agent is the key factor that drives sales to be in accordance with the business plan. Realizing the impact of this risk, TCP Group places emphasis on working closely with distributors in the operation management. Furthermore, it works on identifying a secondary partner in the distributor pipeline in significant markets.

2. Negative Brand Images

Online channels are communications that reach a large audience and are rapidly becoming the most influential and impactful communication channels today. TCP Group realizes the impact of risks associated with negative information about the company that may affect the consumer perception on the brand or image of the company, resulting in a trend of resistance which may weaken the popularity of TCP Group's products among the consumers. The company has therefore arranged for a monitoring of the online dissemination of information related to TCP Group in order to find a suitable management solution and prevent possible damages that may occur. In addition, the Crisis Management Team has been set up to manage the critical situations quickly and appropriately, as well as to manage the event that severely affects the image of the brand and the company.

3. Stakeholders Relationship

Establishing commercial alliances is a key factor in supporting TCP Group's long-term overseas expansion plans. TCP Group realizes the importance of building a good relationship accordingly and therefore plans to work closely with the trade partners in its business planning. It also promotes the economic and social development of the countries in which it operates, including social responsibility programs such as donations of money and products during the COVID-19 pandemic.

Information System Security (GRI 418-1)

Cyber threats are another growing global trend, with hackers' ability to find new attack methods with the growing frequency. TCP Group considers the risk of information systems as one of the corporate risks that the company places great emphasis on and therefore has put in place various measures to prevent the possible risks, such as providing trainings to educate its employees and to raise their awareness on the cyber threats, organizing information security tests (Vulnerability Test), performing internal and external attack tests on the information systems (Penetration test). Information technology working group and committee have been appointed to drive the implementation of the information security management system that complies with the international standard ISO27001 in terms of management and set up various information processes to continuously proceed with efficiency and effectiveness and to achieve the security that meets the international standards.

Sustainable Business Partners

Supply Chain Sustainability

The COVID-19 pandemic crisis in 2020 reflected the vulnerability of the global supply chain as the rapidly spreading pandemic resulted in the closure of cities, borders, and countries. The international logistics transportation system was disrupted. There was a shortage of certain products, especially those needed in dealing with the outbreak, such as surgical masks, N95 masks, PPE kits, etc. Many businesses had to re-plan their supply chain systems in order to mitigate their risks and try to continue their business operations in times of crisis.

TCP Group was also faced with the challenges of the concentration of the raw materials in a particular area while the transportation was shut down at that time. The relevant supply chain team had to mobilize all the resources to plan the procurement and purchasing operations, including the reservation of raw materials necessary for its production to ensure the continuity of the business. It was the expertise of the supply chain team that enabled TCP Group to overcome those obstacles and challenges. In addition, the working group worked with a vast network of suppliers both from within the country and overseas to jointly purchase COVID-19 protection supplies and equipment such as surgical masks and alcohol gel hand sanitizer to distribute to the employees in all branches of the companies in TCP Group and also to donate to the hospitals, healthcare workers, and general public in order to help the society overcome COVID-19 together.

Aside from the purchase of medical supplies and equipment necessary to prevent COVID-19 outbreaks, TCP Group used the nationwide distribution system and network of offices and branches throughout the country under Durbell Co., Ltd, a subsidiary of TCP Group in Thailand that worked as a distribution agent to deliver equipment and supplies to the hospitals in need across the country.

In the midst of a crisis, TCP Group has kept in mind that sustainable business practices can be achieved when stakeholders throughout the business chain understand and stick to sustainability practices with the same goals and in the same direction. TCP Group therefore has a policy to encourage trade partners and other stakeholders in the business chain to enhance their operations in order to be in line with sustainable development practices in order to achieve business growth of both TCP and trading partners, as well as to be beneficial to the community, society and the environment in the long term.

2023 Goals

100% of existing business partners acknowledge the supplier's code of conduct.

100% of key suppliers with high risk undergo on-site sustainability assessment.

Performance results of 2020

100% of the 11 new business partners acknowledged the Business Partner Code of Conduct.

100% of 61 key suppliers passed a sustainability self-assessment.

Improving the Level of Partner Performance

The TCP has established a procurement and purchasing guideline using a sustainability dimension and integrating different activities to define activities and target to meet the sustainable business partner goals. Key arrangements include conducting sustainable partner assessments, promoting community well-being through local purchasing, domestic purchasing and advocating for the use of recycled materials.

Because there are many involved partners in the TCP business chain and there are different levels of priorities depending on the types and sizes of the business, he the apparent challenge that may impact the achievement of this goal is how to educate TCP's partners in order to understand the concept of sustainability and to comply with the international standards as per TCP's expectation.

Code of Conduct for Business Partners

TCP Group operates its business with honesty and integrity as the core values of working with business partners. The company has prepared a "Code of Conduct for Business Partners" handbook describing the expectations for sustainability in various areas. It is also used as a guideline for monitoring and evaluating the performance of business partners to in order to achieve the objectives. However, if the business partners' practices are inconsistent with the guidelines, the company reserves the right to take any actions against the business partners as well as considering the impacts and damages that may occur to the business group.

The business principles set out in "Code of Conduct for Business Partners" are as follows:

1. Environment:
Suppliers must conduct their business in an environmentally responsible manner and comply with the applicable laws.

2. Safety and Health:
The supplier shall establish a business partner's operating and management system for employees to work in an environment where injury or sickness from work is prevented.

3. Labor and Human Rights:
Trade partners are expected to provide fairness in terms of human rights, labor rights, fair employment, benefits, wages, freedom in various fields and equal treatments.

4. Business Ethics:
there must be a review process and procedures for anti-corruption, bribery, conflicts of interest, confidentiality, disclosure and fair competition.

The TCP Business Group has established a reporting channel for any suspected violations of the Code of Conduct. Suppliers can raise concerns anonymously through the following channels:

E-mail	:	internalaudit@tcp.com	
Company's Website	:	https://integrity.tcp.com	
Letter	:	To "Internal Audit Department"	
		Address T.C. Pharmaceutical Industries Co., Ltd.	
		288 Ekkachai Road, Klong Bang Phran Sub-district,	
		Bang Bon District, Bangkok 10150	

100% of Business Partners Accept and Comply with **"TCP's Code of Conduct for Business Partners"**

Performance evaluation of suppliers

(GRI 103-1, GRI 103-2, GRI 103-3, GRI 414-1, GRI 308-1)

Risk management is a practice that helps drive efficient sustainable purchasing processes, from sourcing of raw materials to evalutation of suppliers' post-sales performance through the consideration of the purchasing risks in terms of prices and product and service delivery capacities of the trading partners. The Critical Tier 1 Suppliers are classified based on the level of purchasing risks. As the qualifications of every supplier who wishes to be registered as the company's new business partner, comprehensive evaluation criteria such as quality, product standards, as well as sustainability aspects, are among the most important criteria for evaluating a new supplier. The company classifies the key suppliers according to the volume of purchasing orders, and the importance level of the products or its utilization in the production in order to formulate plans and strategies for efficient supplier management, with details as follows;

Critical Tier 1 Supplier

1

A seller from whom TCP Group purchases a high volume according to the specified criteria.

2

Its raw material importance in production that affects the quality of TCP's product.

3

Activities of the business partner that can cause environmental impacts through complaints.

100% of Critical Tier 1 Supplier

Includes the main material group and secondary material group.

2%

Secondary material group

includes transportation, construction, premium products.

98%

Main material group

includes the raw materials and packaging.

Critical Tier 1 Supplier

Of TCP group:

61 partners

out of a total of **149** partners

Critical Tier 1 Supplier

Have conducted a self-assessment for sustainability.

100%

2020 was the first year that TCP Group developed a self-evaluation questionnaire on supplier's sustainability covering environmental, social and corporate governance issues. The self-evaluation questionnaires on supplier's sustainability were sent to the total of 61 of key suppliers of the Critical Tier 1 Supplier group accounting for 100% of the Critical Tier 1 Suppliers of TCP Group. In 2021, risk assessment results will be considered in order to plan for an on-site assessment of key trading partners who possess high risks.

Sustainable Purchasing

(GRI 103-1, GRI 103-2, GRI 103-3, GRI 204-1)

In order to keep the company's business chain in line with a sustainable approach, TCP Group considers and attaches importance to sustainable purchasing by selecting domestic partners to promote the use of local raw materials, such as purchasing "sugar," one of the key raw materials in production. In addition, TCP has a policy of buying products from the community to be arranged as the company's New Year's gifts for customers, employees and as the promotional products in the efforts to promote utilization of local labor and create value for community products. Moreover, in the manufacture of certain products, TCP uses recycled materials instead of normal materials in its production.

81% is the Proportion of Domestic Goods and Services Purchasing Value.

Purchasing that supports sustainability.

- Switching from purchasing refined sugar to purchasing liquid sugar or sucrose syrup reduces the amount of waste from sugar sacks and decreases the use of heat energy in the process of turning sugar into syrup. In 2020,

75.32% of granulated sugar was switched to Sucrose Syrup. In 2021, the company will have modified the production process to be able to support 100% use of syrup.

- Using recycled filaments made from PET bottles to produce jackets for the employees, the order volume was 5,461 jackets

with the value of **2,293,620** baht.

- Ordering New Year's gifts for employees and customers using natural indigo-dyed cotton fabric from community groups in Akat Amnuay District, Sakon Nakhon Province to boost income for the local people. TCP Group ordered gifts including shawls, cloth masks and various styles of bags, that were made from local materials, at a

total value of **756,955** baht.

Community producer groups indigo dyed fabric in Sakon Nakhon Province.

- Purchasing organic rice directly from the Sustainable Organic Farming Group of Ban Bang Taen, Prachinburi province and Ban Non Yang Organic Rice Processing Group Community Enterprise, Village No. 17, Yasothon Province as a free lunch for employees at a total volume of 55.80 tons, at the totoal value of 2,671,200 baht. In 2020, TCP group ordered additional 90.84 tons of organic rice from farmers, accounting for 4,046,960 baht, for the preparation of the survival bags and Tu-Pan-Sook (Happiness Sharing Cabinet) to help victims and those affected by the COVID-19 situation

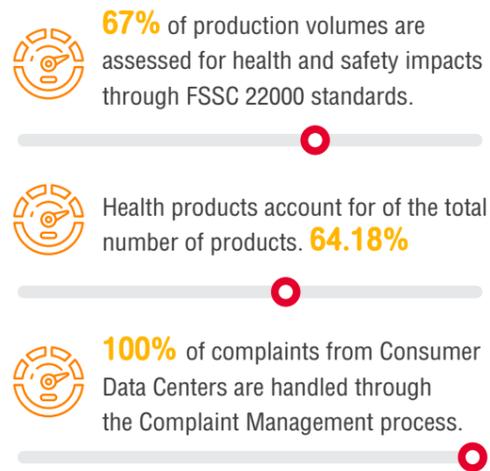with a total value of **6,718,160** baht.

Nutrition and Food Safety

Producing and distributing standardized products that are safe for consumption is at the heart of operating a reputable food and beverage business and achieving sustainable growth. TCP Group's "Nutrition and Food Safety" practice operates within a framework of sustainability that encompasses management of safety standards of products and services. The Company is also committed to product innovation, expanding the range of consumer choices, especially healthier products that are consistent with today's consumer lifestyles. In the current era of the COVID-19 outbreak, people are increasingly concerned about health. Maintaining channels for effectively handling customer complaints in conjunction with established management guidelines reflects our commitment and responsibility to deliver top quality, standardized products to consumers.

2023 Goals

100% of production volumes are assessed for health and safety impacts through FSSC 22000 standards.

Health products account for more than **50%** of the total number of products.

100% of complaints from Consumer Data Centers are handled through the Complaint Management process.

Performance results for the year 2020

67% of production volumes are assessed for health and safety impacts through FSSC 22000 standards.

Health products account for of the total number of products. **64.18%**

100% of complaints from Consumer Data Centers are handled through the Complaint Management process.

(GRI 103-1, GRI 103-2, GRI 103-3, GRI 416-1)

Product quality and safety

Today, besides taste preferences, consumers consider the quality and safety of the food they consume. As a leading beverage producer, TCP Group ensures that quality and product safety management processes are our top priorities. The Company has increased production efficiency by adopting various national and international standards, and providing our employees with training opportunities to upgrade their knowledge of production standards in order to ensure that products manufactured and delivered to consumers are of good quality and satisfy safety standards.

Standards applied by the organization to ensure the quality and safety of products and services.

- GMP
- HACCP
- Halal
- ISO 9001
- FSSC 22000
- ISO/IEC17025
- ISO 14001
- ISO 50001
- HAS23000
- HAL-Q
- CSR-DIW

To demonstrate the Company's commitment to food safety in order to increase consumer confidence, TCP has implemented the FSSC 22000 food safety management system as a tool for improving factory safety processes and reducing potential hazards and food risks. In 2020, the Company applied for certification in 4 manufacturing plants, accounting for 67% of the total production volume, and to build consumer confidence, the organization has required that 100% of production at all 8 factories be certified by the end of 2021.

TCP Group has established a policy to focus on safety throughout the production chain, especially in the COVID-19 situation when concern for safety is paramount. There is a strict epidemic prevention management system consisting of anti-epidemic policies and measures for both employees of the Company and of our trading partners, and for buildings, locations, production processes and all transport vehicles. This is to ensure that business operations will not be disrupted. Thanks to these strict measures, the Company was able to operate the production line continuously and manage the inventory at a sufficient level to meet the demands of customers, manage the logistics system in a timely manner, and deliver quality and safe products to consumers with confidence.

Health product development

According to a World Health Organization (WHO) report, people around the world are likely to die from NCDs, i.e., non-communicable diseases or chronic non-communicable diseases. The same is true in Thailand. Non-communicable diseases are the number one health problem in the country, both in terms of the number of deaths and the overall disease burden. This situation has an adverse impact on overall health and the country's finances, which if not addressed will affect long-term economic and social development.

In addition to non-communicable diseases, Thailand is also a rapidly aging society with an unpredictable risk of epidemic disease. Aware of this problem, TCP is conducting research and development to increase the proportion of healthier options with palatable taste for consumers. By 2020, the company was able to increase the proportion of health products to 64.18% of total products. Even so, we will continue to research and develop new healthy products in line with our long-term goals until 2023.

Low sugar group **28** SKU

Specific benefit groups **14** SKU

Product development for the elderly **1** SKU

ASAMI, one of the beverages in the specific benefit group.

An innovative drink for health enthusiasts. It focuses on maintaining a healthy immune system, ideal for people with health problems who need to boost their immune system. The drink's main ingredient is Wellmune, which is clinically proven to be the most effective beta-glucan in helping to strengthen the immune system. In addition, there are other components that contribute to a healthy body:

200% Vitamin C helps prevent colds.

200% Vitamin B12 nourishes the nerves and brain.

200% Vitamin B6 helps build white blood cells, preventing anemia.

120% zinc strengthens bones, contributing to growth.

Ginger Extract - Helps to improve blood circulation.

Goji Berry Extract - Highest in antioxidants in the berry family.

200% real fruit juice vitamin C drink with Yuzu Orange, Satoshi Lemon and Mixed Berry flavor

Vitamin C that comes in the form of real fruit juice. Its delicious, refreshing, sweet and aromatic taste is one you can enjoy all day every day. The product has received the mark of choice for health and world-class delicious guarantee (Superior Taste) from the iTQi Institute. Vitamin C contributes to the antioxidant process, helps build collagen for normal skin function, and strengthens the body's immune system. This mixed berry flavored drink provides more than 200% of the daily recommended amount of vitamin C, with additional zinc that helps in the process of antioxidants, as well as vitamins B6 and B12 which contribute to the functioning of the nervous system and brain.

During the COVID-19 crisis, everyone has to monitor, protect and strengthen their body's immune system. Hi products are another beverage of choice that TCP Group delivered to healthcare personnel and distributes to the general public.

Puriku Juicy

fruit juice comes in a wide selection of flavors, including Kyoho grape, Sai Nam Phueng orange, mixed berry, honey lemon, lychee, sweet melon and strawberry.

Handling Complaints

TCP Group focuses on the quality of its products and services, while creating innovative products suited to the needs and lifestyles of diverse and increasingly niche consumers. The purpose of establishing a Consumer Information Center is: to provide a center for information about the properties and ingredients of products for consumption purposes; to gather useful opinions and suggestions, and to field complaints from consumers in order to improve our products and services, and business operations generally.

The process for handling complaints can be summarized as follows:

1. Officers from the Consumer Information Center meet with the complainant to ask for information and retrieve the product.

2. Conduct an assessment of the severity level and deliver the product to the relevant authorities for analysis to determine the root cause.

3. In the event that the analysis results suggest that the cause may be due to internal processes, the matter will be discussed among the relevant departments to determine a preventive approach to address the problem. This includes monitoring performance until it is certain that the problem is resolved and that it will not recur.

4. The analysis results will be sent back to the Consumer Information Center for validation of the content before forwarding to the product supervisor for further review.

5. The Company will notify the consumer if the consumer so requests.

6. The Company regularly checks its operating results through monthly complaints management committee meetings.

As proof of the great importance the organization attaches to the complaints management process, it has appointed a Complaints Management Committee to consider corrective action. Even during the COVID-19 pandemic, which has affected the lives of all of us, officers strictly follow company regulations when meeting with complainants. This includes maintaining a safe distance while conversing with consumers, preparing personal protective equipment such as alcohol-based hand sanitizer and masks, and cleaning vehicles before and after use. If the complainant is in a remote area, telephone and private postal services are used to allow for convenient shipment of the allegedly defective product.

Complaints on products from domestic production

Total 186 cases

Results of the analyses reveal that the cause of 64 cases may be from internal processes, accounting for 34.4%. They can be divided into:

- Incidents affecting health and safety, total 39 cases.
- Incidents involving informational and product label, total 11 cases.
- Complaints about marketing, total 14 cases.

Throughout 2020, there were no products directly affecting consumer health and requiring a doctor's visit or medical treatment.

Consumer Information Center Contact Channels:

Consumer Information Center Phone Number : 02-408-0900   Provide information via website : www.tcp.com

Quality of Life in the Workplace

In the midst of an intensely competitive business environment, characterized by rapid change and frequent crises, "people" are a critical cog in driving businesses' ability to cope with challenges and achieve organizational growth.

TCP Group recognizes the importance of equipping people with the ability to move forward with common goals. Our human resource development plan encourages employees to build the new skills needed for their work (Re-skill) in accordance with development guidelines and to upgrade their existing skills (Upskill) in preparation for sustainable growth and future success.

In addition, TCP personnel are treated well in accordance with human rights principles. They are encouraged to be physically and mentally healthy, safe at work, and motivated and committed to their jobs. Furthermore, they are cultivated to become socially responsible citizens.

The COVID-19 pandemic in 2020 has forced many organizations to adapt to the crisis. TCP Group considers as its highest priority the safety of all employees and has taken a number of measures to keep employees as safe from the outbreak as possible, details of which will be reported further.

Goals for 2023

100% of personnel pass employee development courses (Annual Development Plan 2021-2023)

No occurrence of serious accidents or absence from work for more than 3 days.

Zero death or disability from work

100% of departments receive a comprehensive human rights risk assessment.

Performance in 2020

Workshop Competency Design, which is knowledge, skills, and characteristics, with employees' representatives and management participating.

Two instances of serious accidents or absence from work for more than 3 days were recorded.

No death or disability from work was found.

Provided training workshops on comprehensive human rights assessment for all relevant departments.

Diversity of personnel (GRI 405-1, GRI 401-1)

Total number of personnel: 5,083 people

Operating level (D-E2)	**4,791** people	94%
Management level (M1-M3)	**220** people	4%
Executive level (L1-L4)	**72** people	2%

Male **2,824** people **54.94%**

Female **2,259** people **45.06%**

Age < 30 years	**1,246** people	29%
Age 30 – 50 years	**3,459** people	64%
Age > 50 years	**378** people	7%

73%

27%

Bangkok and Vicinity **1,383** people

Other provinces **3,700** people
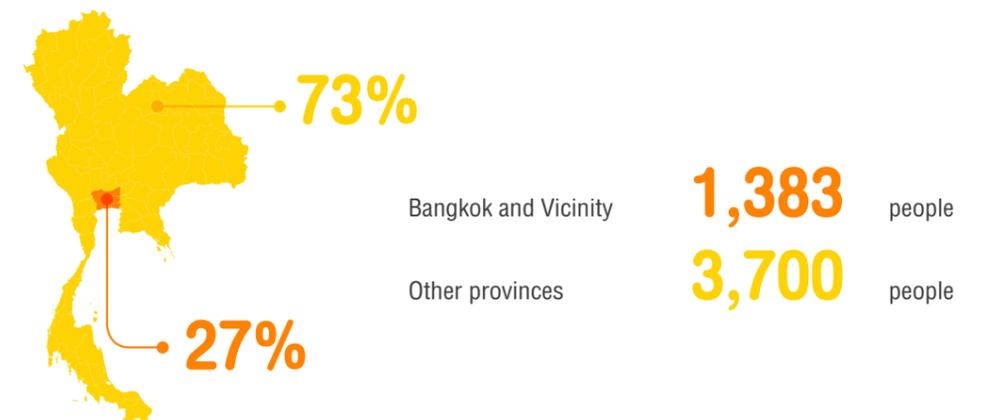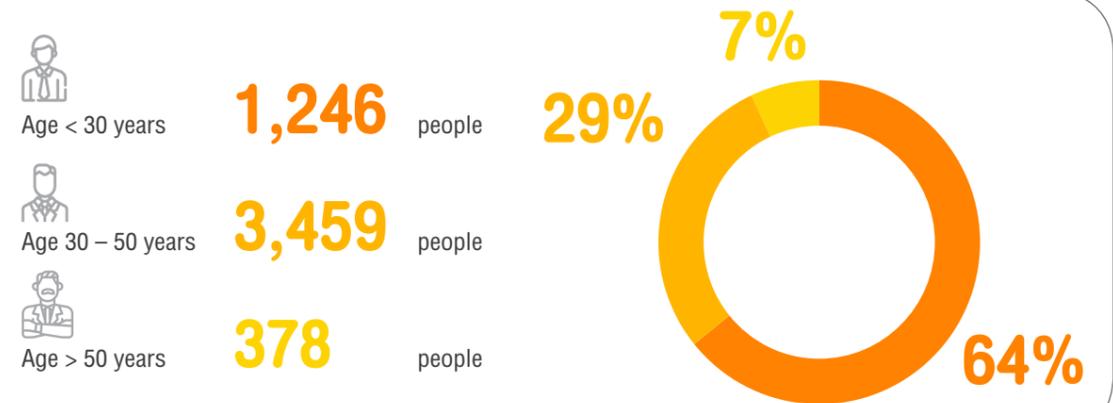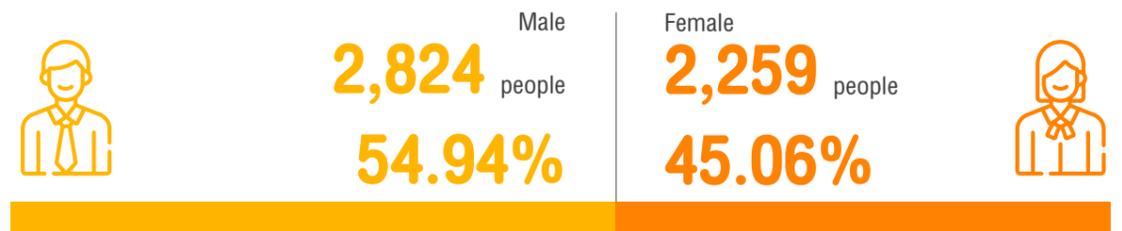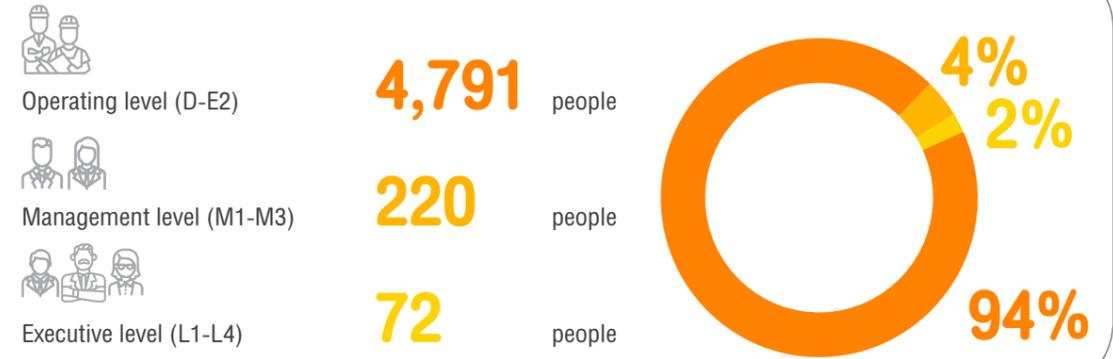
New hires total **1,025** people

Male **496** people   Female **529** people

Age < 30 years **635** people

Age 30 – 50 years **389** people

Age > 50 years **1** people

Bangkok and Vicinity **272** people

Other provinces **753** people

TCP Re-start Thailand: Hiring temporary workers among the unemployed and new graduates.

After the outbreak of COVID-19 epidemic, the most noticeable impact was the unprecedented spike in the country's unemployment rate as a result of announced cessation of operations and subsequent employee layoffs. Although the management of the TCP Group was able to navigate through that period without a policy to lay off employees, the rising traditional labor unemployment rate combined with new graduates entering the labor market resulted in economic stagnation. To address this, the Company initiated the TCP Re-start Thailand project with the aim of revitalizing the Thai economy through job and career creation among the unemployed and new graduates. The program's target is to hire more than 150 temporary employees over a 2-year period between July 2020 - July 2022.

Project performance results in 2020

Total employment: **64** positions in **4** companies

Recruitment remains open and offers opportunities to new graduates and / or the unemployed.

Human resources development   (GRI 103-1, GRI 103-2, GRI 103-3, GRI 404-2)

Six decades after its founding, the TCP Group finds itself in the same situation as many other organizations with senior employees who have been with the company for a long time and new employees. The challenge is how to improve the working skills of both generations of employees while maximizing the potential and competence of each group generation to the benefit of all.

TCP Group designed human resources development guidelines through the Training Roadmap laid out for a period of 3 years from 2018 - 2020, focusing on training and workshops related to the organization's core competencies in a total of 3 categories:

1. Common Competency

consists of the knowledge and skills that the organization expects and requires all employees to share as appropriate to their level.

2. Core/Leadership Competency

consists of the basic skills and characteristics that the organization expects and requires of all employees in order to realise the vision it has set.

3. Functional Competency

promotes the knowledge, skills, and characteristics that employees must possess in order to perform the duties for which they are responsible and achieve the goals of the department.

In addition, the Company also provides mandatory training as required by law, and has created a Personal Development Plan designed to meet the standards expected by the organization based on job position. The type of development and proportion of development activities are divided into 3 areas:

1. Work delegation: **70%**

2. Job training and job advice: **20%**

3. Learning and training: **10%**

The company regularly assigns employees and executives to receive training from experts in various fields to enable them to work more effectively.

In addition, the organization also provides various forms of human resources development schemes to develop the potential of employees, such as orientation, On The Job Training (OJT), and Project assignments.

"TCP Pro-active, Positive, Supercharged" New Corporate Culture

In 2020, TCP Group adapted an evolved corporate culture which is short, concise, and easy-to-understand: **"TCP Pro-active, Positive, Supercharged."** Taking into account the individuality of employees, the new culture is continuously communicated through activities and various channels to company employees at all levels.

A Digital-Driven Organization

The Company has applied digital technology in the work process through the Digital Transformation (DX) Champion project, which provides a platform for employees from all departments and levels to participate. Employees are encouraged to express their opinions and create an atmosphere of teamwork with the Executive Director as a consultant.

Employee development program

The Company has systematically developed employees' soft and hard skills in line with our Human Resources Development Plan (Training Roadmap). Emphasis is placed on internal training (In-house Training) for all employees and external training (Public Training) as necessary. The MS Teams virtual learning program enhances English language skills through online learning, weekly vocabulary accumulation and workshop activities.

In addition, the Company has developed courses for senior and middle management employees through the "Executive One-on-One Coaching" and "Coaching Dialogue" courses, respectively, as well as offerings like "Design Thinking" and "Unlock Your Creativity" which focus on driving innovative thinking.

Supervisory Skills Course (TCP Team)

Coaching Clinic Course

Performance results

Employee development expenses totalled **13.7** million baht.

The average number of training hours per employee is **10.64** per year.

Remarks: Scope of company information
T.C. Pharmaceutical Industry Company Limited
Durbell Co., Ltd.
T.G. Vending and Showcase Industries Company Limited
Hi-Gear Company Limited
During the period of 1 January 2020 - 31 December 2020

Performance appraisal

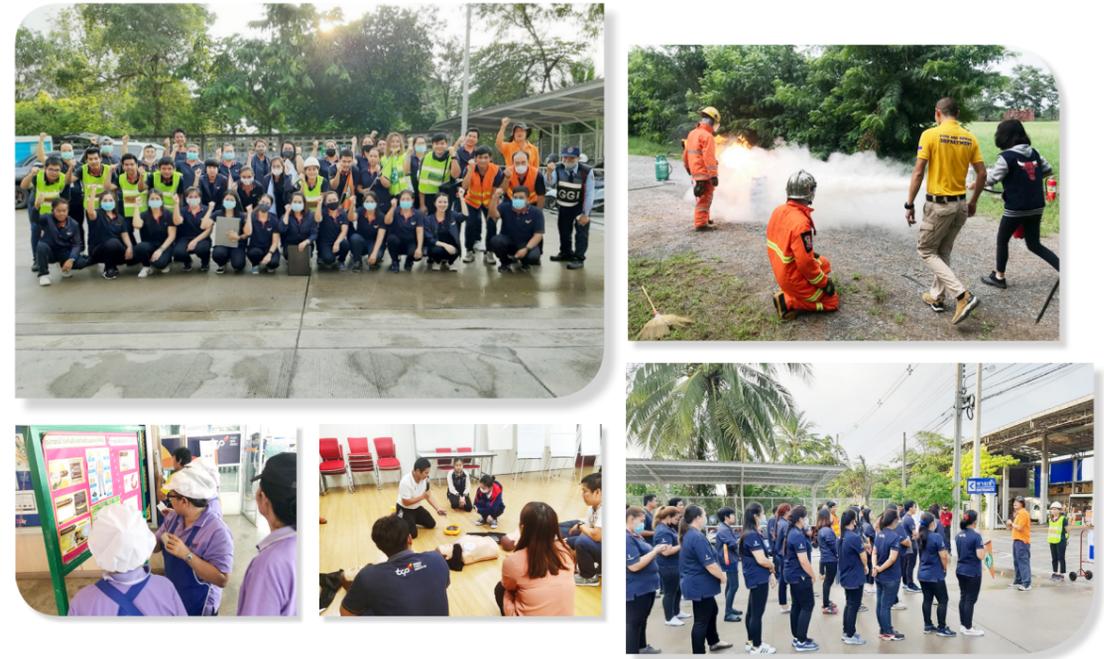TCP Group employs a fair performance management system comprised of two indicators related to Company performance (Company KPI) and indicators related to the performance of the department (Department KPI). This performance appraisal drives all employees to take a common interest in making the organization more successful. Performance appraisals are also considered an important part of TCP's career development programs.

Occupational Safety, Health and Work Environment

The safety, occupational health and working environment of our personnel are cornerstones that enable the organization to progress in a stable and sustainable manner. Working safely means that every employee has a "good quality of life." To achieve this and prevent and reduce accidents, injuries and illness at work, the TCP Group ensures compliance with safety management in all processes as required by law. The Company aims for zero accidents so as not to cause losses to employees, contractors and stakeholders. Furthermore, TCP's safety, occupational health and working environment policy seeks to provide a proper work-life balance for all employees.

Safety, occupational health and work environment management to control, prevent and reduce losses. (GRI 403-1 , GRI 403-3 , GRI 403-7)

Occupational safety, health, and a good working environment are the first responsibility of all employees, including supervisors at all levels. The management of occupational safety, health and working environment of the group consists of the following:

Establish safety, occupational health and work environment policies.

Establish a Safety, Occupational Health, and Environment Unit and Safety Committee from each company's employees.

Assess operational risks through a process of hazard identification, risk assessment and incidence investigations to identify the issue of risks and opportunities covering the operating process.

Determine the roles and duties of work safety officers, management level, supervisory level, technical level, advanced technical level and professional level in accordance with the company structure and legal requirements.

Encourage improvement of the working environment and conditions for safety and orderliness in the work area.

Assign a doctor or nurse from a hospital that meets the standards and has been certified by the Ministry of Public Health to be stationed in the hospital room of each area to provide advice, consultation, treatment and fundamental health promotion along with promoting health care and sanitation, including surveillance of illness or disease from work, with guidelines for continuously organizing public relations activities.

Provide health check-ups for employees, prepare health check-up manuals and procedures for using the hospital room for employees.

Prepare training plans and drills for relevant emergencies and focus on ergonomics and improvement of working conditions.

Conduct regular assessments, inspections and controls on safety, occupational health and working environment.

Regularly review management guidelines at monthly meetings.

Hazard identification, risk assessment and incident investigation processes (GRI 403-2)

The Company has established procedures for the identification of hazards, assessment of risk levels in all activities and working environment of employees and related parties as follows:

1. Classification of activities
2. Hazard origin identification and hazard identification
3. Risk assessment by specifying criteria for determining the severity of hazards and the likelihood of hazards in order to identify the risk.
4. Review and approve risk assessment.
5. Prepare registration of risks.
6. Review and approve registration of risks.
7. Prepare a risk plan for safety, occupational health and working environment.
8. Review the risk assessment.

TCP has procedures in place for investigating and analyzing the cause of accidents and finding ways to prevent them in the future. Specifically, the Company has prepared an "Accident Investigation and Analysis Methods" document which covers employees, contractors and other visitors in the event of an accident.

Promoting awareness of occupational safety, health and working environment (GRI 403-4, GRI 403-5, GRI 403-6)

Creating safety awareness or a safety culture is one way to reduce the risks that can lead to loss of life and injury to employees and contractors. Therefore, the Company provides relevant training to create a good working culture and to foster a sense of shared responsibility among all employees, which is a factor for sustainable safety.

In the operations of the TCP Group, employees can suggest improvements in working conditions related to hygiene and work methods through activities focusing on creating a culture that promotes health and safety awareness. These activities include safety talks, safety suggestions, BBS, safety meetings, Safety Day at work and other training sessions aimed at educating employees at all levels.

The TCP Group Performance on Safety (GRI 403-4, GRI 403-5, GRI 403-6)

Number of accidents leading to time off work > 3 days.
2 times

NO employees suffered from occupational disease.

NO work-related deaths

Number of injuries leading to time off from work.

Employees **11** incidents
Contractors **2** incidents

Lost time injury rate
(Cases per 200,000 work hours).

Employees **0.25**
Contractors* **2.40**

Remarks:
Contractor data collected only from outsourced factories, contractors, construction and service groups of T.C. Pharmaceutical Industry Co., Ltd.

Transportation Safety

Durbell Company Limited, a member of TCP Group, is a leading warehouse business and distributor of consumer products, which relies on a large fleet of transport vehicles. It operates in compliance with the law, clearly stipulating regulations for the use of company vehicles and penalties, covering drivers' licenses, compliance with traffic laws, vehicle inspections, procedures in the event of an accident and various vehicle prohibitions. New-hire drivers are required to undergo rigorous safety driving courses for cars, motorcycles and forklifts to prevent accidents and increase safety. The company also emphasizes the selection of safe vehicles and competent, experienced drivers, and maintains a clear plan for vehicle maintenance, and reporting and monitoring procedures. In particular, it promotes good driving behavior by means of GPS tracking and camera recordings by the motor vehicle agency, statistical tracking and accident investigation, and provides a summary to the safety committee at its monthly meeting.

100% All the Company's vehicles are equipped with GPS systems and car cameras.

*Only for transport vehicles under the Durbell Company Limited and Hi-Gear Company Limited.

No deaths of transport drivers were found.

Transport vehicles accident rate
7.02 times per million kilometers

Total transport distance
32.61 million kilometers

Remarks:
The calculation of the transport vehicles accident rate is for Durbell Company Limited only.

Caring for personnel during the COVID-19 outbreak

At the start of 2020, hardly anyone could have predicted the outbreak of COVID-19, which would soon spread all around the globe. Initially, little was known about the new virus and how to stop the spread of infection. There was also a shortage of medical protective equipment such as masks and hand sanitizers. Recognizing that employee safety is of paramount importance, TCP Group has made every effort to properly care for its more than 5,000 employees. Although the nature of the work of employees varies by business type and position, the organization has established comprehensive epidemic prevention measures and policies suited to all types of employees to ensure that everyone is treated equally and safely. These measures include:

1 Provide adequate protective equipment such as face masks, alcohol gel, face shields, gloves, etc. Although early on, these items were severely scarce and had to be imported from abroad, management did their best to prepare and distribute equipment appropriately to employees according to the nature of their work.

2 Educate people about the Coronavirus-19 and how to protect themselves and their families from the risk of infection.

3 Measures for supervisors to closely monitor and inquire about the health of the team.

4 Screening measures before entering the office building such as temperature checks, etc.

5 Work from home measures: the Company provides support for various technologies such as computers and online meeting programs such as MS Teams to facilitate the ability to work from home.

6 Measures to refrain from traveling to high-risk areas including refraining from traveling by public transport.

7 Distancing measures, whereby the Company has established appropriate distances in office spaces, elevators, canteens, staff shuttles, etc.

8 Internal communication with employees at all times to create understanding of the situation and to show concern.

The TCP Group also applies similar protective measures and guidelines to cover the employees of its business partners to ensure safety and reduce the risk of infection when working together in teams.

Thanks to the dedication of management and the cooperation of employees in complying with the Group's safety measures, in 2020, TCP Group managed to overcome the Covid-19 crisis without employees and close family members infected with COVID-19.

Human Rights (GRI 103-1, GRI 103-2, GRI 103-3, GRI 412-2)

Currently, reports of human rights violations among various groups are on the rise, both in terms of severity and the number of violations. One consequence has been an uptick in lawsuits. Human rights violations can affect all stakeholders of the organization: employees, employees of business partners operating in the Company's property, children, women, people with disabilities, local communities, and labor of business partners and foreign workers of business partners who may be affected by business operations either directly or indirectly.

TCP Group is committed to respecting and protecting human rights throughout the supply chain to ensure that relevant stakeholders are cared for and treated with dignity in accordance with the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Global Compact (UNGC), the United Nations Guiding Principles on Human Rights for Business (UNGP) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. This applies to all groups of people who may be affected both in the business activities of TCP directly, those involved in the business supply chain, and in joint ventures not directly managed by TCP.

Human rights management

1. Focus on creating understanding by providing training to employees and related agencies on all aspects of human rights risks.

2. Comprehensive human rights risk assessment with all companies in the Group (on the issue of labor rights, labor rights of contractors operating in the Company's location, children's rights, women's rights, rights of people with disabilities, local communities' rights, rights to safety, rights to a good environment)

3. Develop a supplier self-assessment system based on a human rights approach in reference to the UN Global Compact Standards.

4. Rate the risks of business partners in the supply chain and develop measures to manage human rights.

2020 Performance

Conducted training workshops for relevant agencies within the organization on comprehensive human rights assessment.

100% of relevant agencies have undergone comprehensive human rights assessment training.

Comprehensive human rights assessment workshop

Environmental Conservation
Environmental Friendly

Just as all of us contribute to the depletion of our planet's resources, we all have a responsibility to try and limit our impact on the environment. Fortunately, more and more communities and individuals around the world are waking up to this responsibility. As a large enterprise, TCP Group also sees many opportunities to do its part by promoting change through proper processes. The company attaches great importance to reducing its environmental impact and has devised a number of concrete goals which it is working hard to achieve.

To reduce the impact of its production processes, TCP has adopted policies aimed at cutting energy consumption and greenhouse gas emissions, managing water resources more efficiently, and establishing standards for handling waste materials. As part of our corporate social responsibility commitment, we have put in place environmental management guidelines and goals to ensure strict compliance with all applicable laws, regulations and international standards. As proof of our continuous operating excellence, TCP maintains regular verification in accordance with ISO 14001 and ISO 50001 environmental accreditation standards, while its efforts to foster a green environment in its manufacturing plants have won it the Green Industry Level 4 award (Green Culture). These achievements unite everyone in the organization in a common purpose: to protect and preserve a good environment and create a corporate culture dedicated to environmental responsibility through cooperation. At the same time, the organization is committed to continuous improvement throughout the value chain, seizing on opportunities both to spur business growth and reinforce environmental and social values.

Energy and Greenhouse Gas Emissions
(GRI 103-1, GRI 103-2, GRI 103-3, GRI 302-1, GRI 302-3)

2023 Goals

Energy consumption per production unit is **less than 1.083** megajoules / liter of product.

2020 Performance

Energy per production unit - **1.231** megajoules / liter of product.

The use of fossil fuels and the release of greenhouse gases into the atmosphere are resulting in increased average global temperatures and potentially catastrophic climate change. Severe flooding and droughts are just two of the most obvious signs of the worsening climate crisis.

Energy Conservation Projects and Operations

With a strong commitment to operate a business that contributes to the mitigation of climate change, TCP has initiated energy and greenhouse gas emissions management programs at its plants which promote energy savings and greater energy efficiency. The company is also introducing renewable energy into its production processes, modifying electrical equipment, and continuously inspecting and improving machine performance to use less energy.

Use of renewable resources

The use of renewable energy as an alternative to conventional sources is a practice that the organization has embraced enthusiastically. We have adopted zero-carbon biomass fuels such as palm shells, and in 2017, we installed a Solar Rooftop power generation system with a generating capacity of 4.510 MW at the factory in Prachinburi Province. In 2020, the Solar Rooftop generated more than 5,426,993.36 kWh of electricity, representing a reduction in greenhouse gas emissions equal to 3,248.59 tCO2e. The Company plans to expand power generation in 2021.

*Electricity emission factor value = 0.5986 kWh

Thai National LCI Database, TIISMTEC-NSTDA (with TGO electricity 2016-2018)

In 2020, **51.49%** of TCP's total energy consumption was from renewable resources.

The TCP Group's total energy consumption - **959.87 million megajoules**

Ratio of TCP Group Energy Usage by Type

Energy purchased
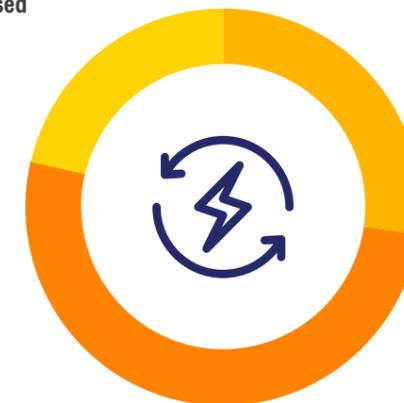**21.28%**

Fuel Consumption
27.23%

Fuel oil	26.05%
Diesel	0.36%
Benzene	0.03%
LPG Natural Gas	0.79%

Renewable energy
51.49%

Palm shells	49.44%
Solar	2.05%

Reducing energy consumption

The organization has promoted the optimization of energy management in accordance with ISO 50001 standards and legal requirements. An energy conservation committee has been established to achieve set goals, and regular reports on the performance of the energy management system are submitted to Company management for review.

TCP Group operates energy conservation projects in its factories to reduce energy loss and increase energy efficiency. There is a monthly meeting on energy consumption control measures, and there are plans and reviews of inspections. In 2020, the factory energy conservation program focused on reducing energy loss and promoting an energy-saving culture whereby employees were urged to achieve the goal of reducing energy consumption per liter of product. Some important projects include the following:
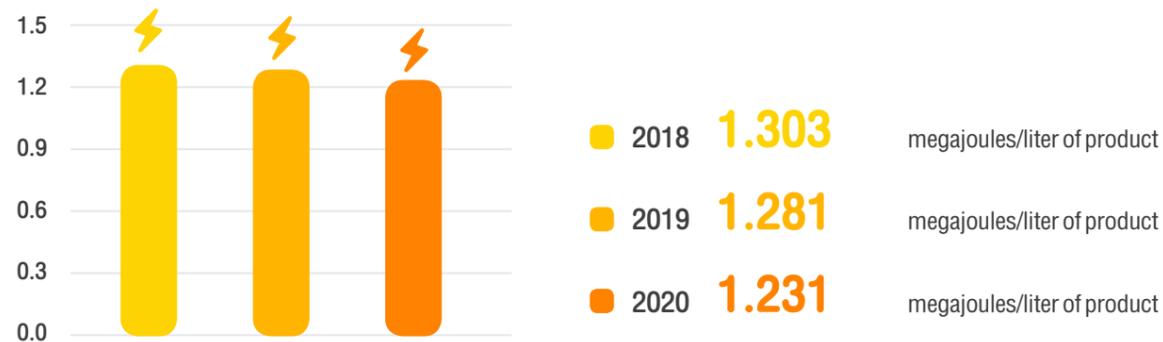
A total of 7 projects aimed at reducing energy loss from machinery in the production process

Reduced CO_2 emissions **487.61** Ton CO_2 eq/years

Reusing condensate water from the hot water system in the boiler

Reduced CO_2 emissions **18.65** Ton CO_2 eq/years

Energy consumption ratio per unit of production

2018 **1.303** megajoules/liter of product

2019 **1.281** megajoules/liter of product

2020 **1.231** megajoules/liter of product

Our Carbon Footprint

To achieve sustainable management of greenhouse gases, manufacturing plants pay more attention to obtaining corporate and product carbon footprint marks.

Current Carbon Footprint Certification Information

1. The plant in Prachinburi Province received its first Carbon Footprint label in 2018. The certification must be validated every 2 years by an auditor registered with the Greenhouse Gas Management Organization (Public Organization).

2. A total of 7 products have been certified to use the Carbon Footprint label.

The goal for 2023 is to increase certification to 11 products. In addition, two other products have been certified for the carbon footprint reduction label, namely canned Sponsor sports drink 325 ml and Puriku White Tea Mixed Berry flavor 350 ml.

Labels the TCP Group has received:

Carbon Footprint label, **7 Products**

Carbon Footprint Reduction Label, **2 products**

Energy Indirect GHG emissions **31,484.8** tonnes of CO_2 eq

Corporate Carbon Footprint (Scope 1, 2) **44,573** ton CO_2 eq/year

Direct GHG emissions **13,088.2** tonnes of CO_2 eq

*Verification data as of 2019

Air quality control

Air pollution is an environmental concern that can affect communities around the factory. Therefore, in strict compliance with the 2006 Ministry of Industry notification regarding limits on factory contaminants emitted in the air, the Company continuously monitors pollution in the form of total particular matter (TSP), Nitrogen Oxides (NO_x) and Sulphur dioxide (SO_2). Technologies like wet scrubbers in the biomass energy production system are also used to minimize pollution.

Water Management

(GRI 103-1, GRI 103-2, GRI 103-3, GRI 303-1, GRI 303-3, GRI 303-4)

Water scarcity is one of the world's most important environmental issues. Thailand is regularly faced with drought due to inconsistent rainfall and flooding from heavier-than-usual rain. In 2020, water salinity was another problem affecting the lives of people in the country's major cities. Together, these problems threaten the ecological balance and have a direct impact on agriculture, industry and people generally.

Long-term goals 2023

Water consumption per production unit is **less than 2.08** liters/liter of product

TCP embraces the Thai River Basin Project: Store at **least 3 times** the **12** million cubic meters used in the business.

2020 Performance

Water consumption per production unit equalled **2.28** liters/liter of product

TCP embraces the Thai River Basin Project: Stored **10.58** million cubic meters of water.

As a major manufacturer and distributor of beverages for which water is the chief raw material, TCP Group and its stakeholders are concerned about issues pertaining to this precious resource. Therefore, the company does all it can to maximize water use efficiency. In collaboration with its partners, it also sponsors projects that promote access to water resources and sustainable water management for upstream communities, thereby increasing water security and reducing various risks to business operations.

Management approach

Upstream management with partners to promote community access to water resources.

1 Collaborate with partners in delivering water management know-how to local communities so that they can create their own community water management plans.

2 Promote the work of water management structures such as water softening, digging a reservoir, building a water reserve system, and enhancing the delivery canal system. Appropriate water management infrastructure will be prepared in each area, including the application of traditional water management knowledge such as the Tae Tang system in the North.

3 Once communities have sufficient water, TCP Group works with partners to deliver knowledge to build a community economy, such as promoting New Theory Agriculture and planting 3 types of forest for 3 benefits. This work increases household incomes and builds stronger communities.

4 TCP encourages people to learn about water management through the TCP Spirit Watershed Nurse Project. Under this program, volunteers from upstream to downstream in Ban Tun Sub-district, Phayao Province, learn about water problems and effective water management strategies.

Water management in the production process

1 Allocate water storage areas for use in the production process.

2 Appropriate management of water extraction from various water sources.

3 Apply water footprint assessment standards.

4 3Rs measures: reduce, re-use and recycle.

Downstream management

1 ISO14001:2015 environmental management standard system.

2 Control effluent quality standards in accordance with the law.

3 Wastewater management for use within the factory 100%

Management Operations Information

TCP Water Resources

Amount of water used

💧 **3.69**

million cubic meters

🌿 surface water **95.82%**

🚰 Tap water **4.05%**

⛰ Groundwater **0.13%**
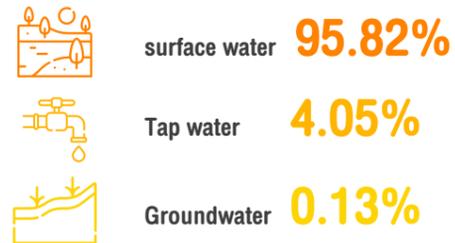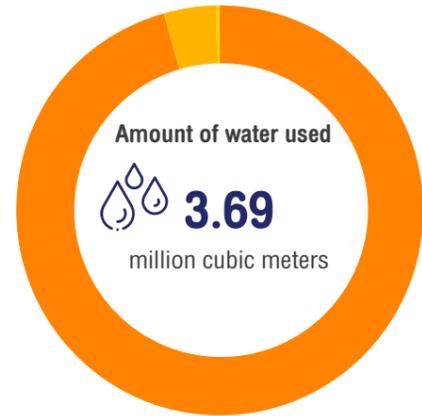
Performance

Amount of water used per product

🟨 2018	**2.46**	liters/liter of product
🟧 2019	**2.33**	liters/liter of product
🟧 2020	**2.28**	liters/liter of product

Treated water standard control

Although the production plant does not release effluent into public waterways (Water Zero Discharge), the Company still attaches importance to having a properly designed wastewater treatment system to maintain effluent standards in accordance with the 2017 Ministry of Industry notification on Determining Standards for Controlling Factory Wastewater. TCP follows international standards in environmental management (ISO 14001), whereby all wastewater goes through a treatment process that results in treated water of a better quality than that prescribed by the law and allows for all treated water to be re-used completely (Water Zero Discharge) whether to water trees and plants or to clean the surrounding area.
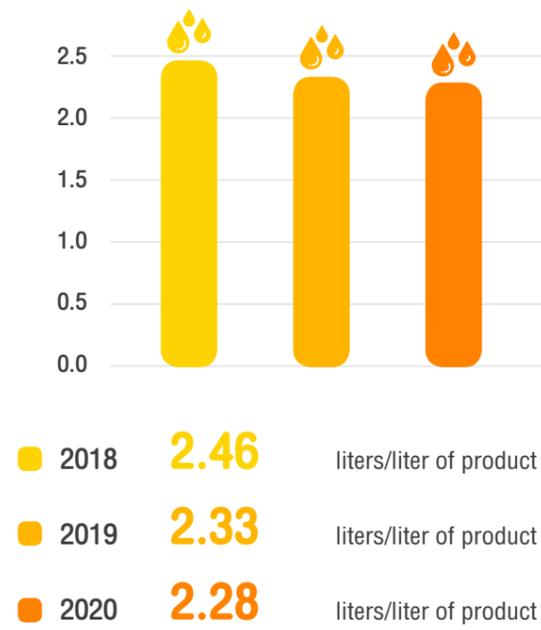
> Treated water from the manufacturing plant Prachinburi Province
>
> **No discharge of water into public areas (Water Zero Discharge)**

📷 Area of wastewater treatment plant, Prachinburi province

TCP Embrace the Thai River Basin Project

TCP is committed to accountability to stakeholders in watershed areas where it uses water in its business. By developing projects focused on management of surface and underground water resources, the Company works to alleviate flooding and drought problems that occur annually. Target areas extend through 6 provinces and 2 river basins: Phrae, Sukhothai, and Phichit (Yom River Basin), and Sa Kaeo, Prachin Buri, and Nakhon Nayok (Bang Pakong River Basin). The company's 5-year goal (2019 - 2023) is to help communities in the Yom Basin and ensure that at least 16,000 families in these six provinces have access to more than 12 million cubic meters of water for consumption (or more than three times the amount of water used by the TCP Group throughout the process).

Performance

In 2020, **2.75** cubic meters of water were returned to communities and the environment.

The amount of water accumulated from 2018-2020 totalled **10.58** cubic meters, representing **81.16%** of the target.

📷 Aqueduct at Mae Khaming Community, Phrae Province

📷 Water reservoir at Mae Khaming Community, Phrae Province

📷 Filling shallow groundwater by means of loop wells and roof in Nonsi Sub-district, Kabin Buri District, Prachin Buri Province

Management of waste and unused materials

(GRI 103-1, GRI 103-2, GRI 103-3, GRI 301-2)

Strict compliance with waste management laws is another commitment of the TCP Group. The Company strictly adheres to a waste management approach based on the 3Rs principle: reduce, reuse, and recycle, which seeks to optimize resource use and reduce the amount of waste going to landfills.

Management approach

The production plant has set waste management standards in accordance with international practice and environmental laws under a management system of sorting, delivery, storage, handling, and disposal or treatment of industrial waste. Responsibility for each step is clearly defined, and a map showing the installation points for industrial waste and transportation routes within the production area has been drawn up. An environmental officer works with the purchasing department to assess, inspect, select, enter into contracts with industrial waste purchase contractors, supervise operations by those authorized to treat or dispose of waste, or who are licensed to improve the waste for recycling, in accordance with the environmental requirements of the Department of Industrial Works. Moreover, there is an emergency suppression plan in place in the event of a leak or a fire related to industrial waste management.

Industrial waste management performance

Hazardous Waste

117.51 tonnes
of which **109.86 tonnes,**
or **92.93%,** can be utilized.

Non-hazardous Waste

6,046.31 tonnes
of which **6,044.84 tonnes,**
or **99.84 %,** can be used.

Amount of waste utilisation

		tonnes
2018	42.57	tonnes
2019	80.87	tonnes
2020	109.86	tonnes
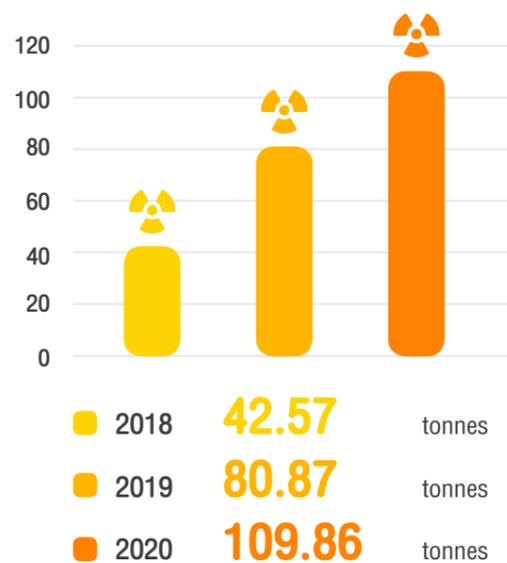
Amount of waste utilization

		tonnes
2018	3,813.39	tonnes
2019	4,122.31	tonnes
2020	6,044.84	tonnes
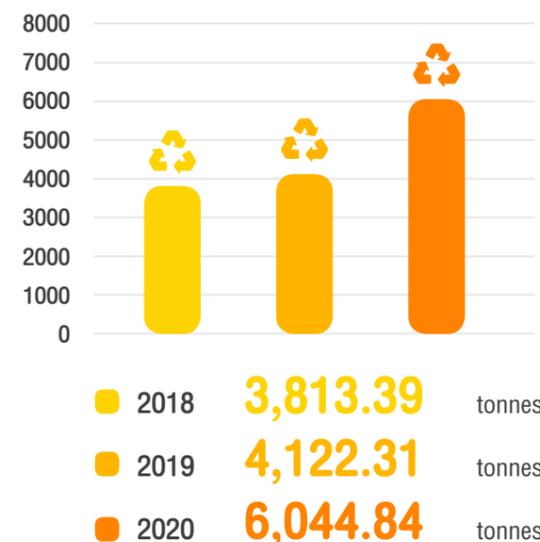
General solid waste disposal

To manage solid waste that does not affect the environment or the health of employees, contractors and local communities, the company has set standards, ranging from the colours of bins, sorting before disposal, storage, and proper distribution and disposal of general waste. In addition to its own facilities, TCP is also creating a green culture at the Durbell Company, by expanding management standards, providing waste bins and separating labels for employees in 24 offices and warehouses in each region.

Proportion of general solid waste management

Landfill
23%
108.52 tonnes

Utilize
43%
200.76 tonnes

Incinerate
34%
159.11 tonnes

Public relations for the environment to reduce waste generation.

Garbage bins for sorting in the factory area

Garbage bins for sorting in the office space

Socio-Economic Development

Conducting business with social responsibility is a guideline that TCP Group has upheld and practiced for over 60 years. We are committed to caring for the communities and society where we operate through projects and activities to improve the quality of life economically and socially. A good business grows with a strong society and community and a strong community is an important resource and foundation for the country's development. Even with the Covid-19 outbreak, TCP Group wasn't prevented from building sustainable communities. In fact, the crisis has allowed us to be even more supportive.

2023 Goals

Set up projects to improve the economy and quality of life in the local community: 1 Community – 1 Business.

No significant community complaints were reported.

2020 Performance results

Organize a project to improve the quality of life and economy for communities in 10 out of 22 target areas, representing **45%**

In 2020, no significant community complaints were reported.

(GRI 103-1, GRI 103-2, GRI 103-3, GRI 413-1, GRI 307-1)

Community and Social Development

Born out of a determination to participate in community development, TCP established the Socio-Economic Development Committee to oversee community development projects. The committee consists of employees and managers in all business units who jointly study, analyze and develop cost-effective projects that tap into the community's potential. The committee also works to promote community participation in creating a master plan for improving the quality of life and building economic value for communities through local employment.

Community and Social Development Administration

Create corporate values around social care and encourage the participation of employees and stakeholders from all sectors in creating sustainable values for society.	By using TCP facilitators, contribute to strengthening communities by using the area as a base, the community as the center, and villagers as the owners.	Use personnel with specialized skills and TCP's potential to generate income for the community, create a model for community development, and expand it to other communities at large.	Strengthen community marketing by considering procurement to support the community as a supplier of produce.	Conduct environmental impact assessments and ongoing monitoring and publicly disclose the results.

Business locations of the TCP Group
And project areas to improve the quality of life and the economy in local communities
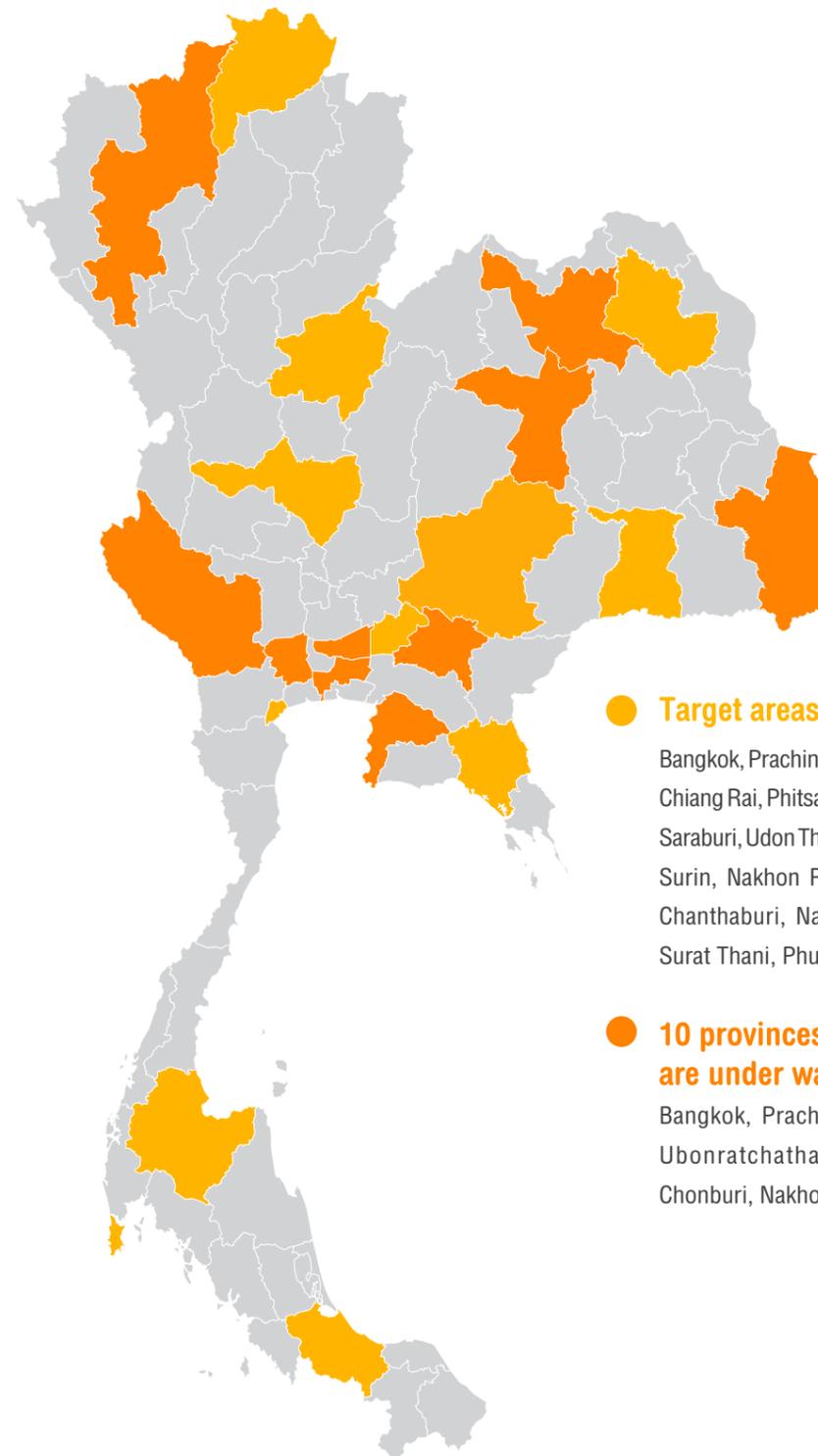
Target areas: 22 provinces:

Bangkok, Prachinburi, Samut Songkhram, Chiang Mai, Chiang Rai, Phitsanulok, Nakhonsawan, Pathum Thani, Saraburi, Udon Thani, Sakon Nakhon, Ubonratchathani, Surin, Nakhon Ratchasima, Khon Kaen, Chonburi, Chanthaburi, Nakhon Pathom, Samutsongkhram, Surat Thani, Phuket, and Songkhla.

10 provinces in which projects are under way as of 2020:

Bangkok, Prachinburi, Chiang Mai, Udon Thani, Ubonratchathani, Khon Kaen, Kanchanaburi, Chonburi, Nakhon Pathom, and Pathum Thani.

Project for community

Performance of community development projects in target areas

Project	No. of Beneficiary (person)	Operating area	Economic Value (Baht)
Khon Kaen organic farming	1,044 people	395.5 Rai	3,105,770
Prachinburi Organic farming	94 people	324.75 Rai	1,846,700
Organic farming lunch program	4,409 people	10 Schools	421,801
TG Vending for Community	4,609 people	9 Villages	(Commenced in March 2020) 18,088
Community Development Bang Taen Subdistrict	306 people	13 Villages	Commenced in October 2020

Sustainable Organic Agriculture Project, Ban Kut Chiang Mee, Ban Dong Subdistrict, Ubonrat District, Khon Kaen Province

As an expression of its intention to improve the economy and quality of life in communities around the Khon Kaen factory, TCP has provided support for the Ban Kut Chiang Mee Sustainable Organic Farming Group for a period of 5 years (2016-2020). At present, it has grown into an outstanding community enterprise at the district level, creating a joint government-private network to support the group, using the community as the center and the villagers as joint owners.

A visit from government officials.

Organic rice products from the group

Project results

- Cost reduction of **2,200** baht/rai, total cost reduction = **870,100** baht.
- Marketing organic produce with profit value = **1,670,650** baht.
- Community's accumulated rice purchase fund = **248,291** baht.

Sustainable Organic Farming Project, Bang Taen Subdistrict, Ban Sang District, Prachinburi Province

To improve economic conditions and quality of life in communities near the Prachinburi plant, TCP has provided support for the Sustainable Organic Farming Group in Bang Taen Subdistrict for a period of 5 years (2016-2020). At present, it has grown into an outstanding community enterprise at the provincial level, and an Honorable Mention Community Enterprise in the Eastern Region, A joint government-private network has formed which supports the group by using the community as the center and the villagers as joint owners.

Field visit to inspect organic farms.

Organic rice products from the group.

Project performance

- Cost reduction of production by **1,446** baht/rai, total cost reduction value = **465,821** baht.
- Marketing organic produce with profit = **769,426** baht.
- Community rice purchase fund = **1,765,700** baht

TG Vending Project for Community

T.G. Vending and Showcase Industries Co., Ltd., a member of the TCP Group, together with Khem Khaeng Community in Nong Sarai Sub-district, Phanom Thuan District, Kanchanaburi Province, are hoping to generate sustainable income in local communities by transferring expertise in vending machine management. The company distributes revenue from sales to the community - an example of income generation by the community for the community.

A pilot project in 1 community found that performance was satisfactory, and the company plans to expand to other areas in the future.

Project results

- The community has earned **18,088** baht from the pilot project.

Organic Agriculture to Lunch Project

TCP Group member, Durbell Company Limited, together with the Education Development Fund Foundation (EDF), are operating a sustainable organic lunch program in 10 schools in 8 provinces where the company's branch offices are located. These are: Wat Na Mai Community School and Wat Thotsathit School in Pathum Thani Province; Ban Ang Krapong School and Wat Nong Ket Yai School in Chonburi Province; Wat Koh Wang Sai School in Nakhon Pathom Province; Ban Mai School (Kururat Phatthana) in Nakhon Ratchasima Province; Ban Kham Kling School in Udon Thani Province; Ban Tha Chang School (Nakhon Ratchasima Songkhro 2) in Ubon Ratchathani Province; Ban Pong School in Chiang Mai Province, and Ban Nai Yen School in Bangkok.

The project has developed a local organic farming curriculum and turned agricultural plots into living libraries that provide students with opportunities to learn, play, and fill their stomachs safely, in line with the objectives of the core curriculum. The project has been effective in improving school-to-community participation, reducing expenses and increasing income. Currently, 7 schools have developed their own local organic farming courses.

organize activities for study visits and develop teachers' curricular capacity building.

Organic vegetable growing activity in participating factories

Project results

- Total economic value: **495,765** baht.
- Production used for lunch ingredients valued at **276,330** baht
- Products can be sold in the community **72,635** baht.
- Reduce expenses for students' families by **160,000** baht.

TCP Project joins Bang Taen Subdistrict Community Development Ban Sang District Prachinburi Province

T.C.Pharmaceutical Industry Co., Ltd. (Prachinburi plant) attaches importance to the development of the quality of life in the communities around the factory, emphasizing development to meet existing problems and sustain the way of life and traditions of the community. Towards this goal, a master plan has been devised to determine the direction of their development. TCP provides process facilitators and start-up funds to develop TCP-related master plans.

Subdistrict Master Plan Drafting Activities

Community analysis activities

Progress of the project in 2020

1. Cooperate with community development volunteers to conduct community analysis.
2. Draft a master plan for community development in Bang Taen Subdistrict with community participation.

Scholarship Project

Scholarships for employees' children

Total number of scholarships **3,981**

Total amount **11.22** million baht

Scholarships for students in communities where the Company is located:

Number of scholarship students **247** people

Total amount **247,000.00** Baht

Bangbon

Number of scholarship students **180** people

Total amount **309,500.00** Baht

Providing Scholarships for students

"The Power of Giving" Project

TCP Group annually donates medical equipment to government hospitals in need across the country for the purpose of facilitating the work of state hospitals and medical personnel and benefiting patients who rely on the services they provide. In 2020, TCP Group initiated "The Power of Giving" program, the objective of which remains to donate medical equipment and supplies to hospitals in need, but here, employees are able to participate in drawing up a shortlist of hospitals in need of medical equipment. In particular, these hospitals are located in areas close to branches or offices of TCP-affiliated companies, which encourages local employees to take part in activities that benefit the communities where we operate.

The results of the project show that it creates good engagement among colleagues.

There are 10 hospitals that have received donations of medical equipment **in 9 provinces** at a total cost of **28.91** million baht.

Ambulance donation Pak Phanang Hospital Nakhon Si Thammarat Province

Medical equipment donation Ban Phaeo Hospital, Samutsakhon Province

Medical equipment donation Chumphonburi Hospital, Surin Province

Ambulance donation Nong Sung Hospital, Mukdahan Province

Charitable Donations

Each year, TCP Group allocates an annual charity budget, either in the form of money or company products, to aid agencies and foundations, both in normal circumstances and in times of disaster.

In 2020, the main support from TCP was for wildfire assistance and flooding in the central, northern, and southern regions,

with a total contribution of **22.64** million baht.

In addition, the Board of Directors approved special funds to assist in dealing with the COVID-19 crisis both domestically and internationally, as detailed above.

More information

TCP Group believes that creating of sustainable business growth are community and social acceptance, responding to community expectations appropriately and continuously and developing the good quality of life in term of society and economy for local community. These facilitate the business to operate sustainably and smoothly.

TCP Group Sustainability Performance

GRI Key Performance			
Standard Indicators			
Scope of TCP Group			
T.C Pharmaceutical Industry Co., Ltd. (Factory)		Location	1
T.G. Vending and Showcase Industries Company Limited		Location	1
Durbell Company Limited and branches		Location	24
Hi-Gear Company Limited		Location	1
Responsible Business			
Economic performance			
201-1	Total income (annual)	Million baht	42,527.78
	Proportion of domestic income	%	35
	Proportion of income from abroad	%	65
	Cost of sales	Million baht	31,943.77
	Employee benefit expenses	Million baht	2,359.22
Anti-corruption			
205-1	M L employees pass Code of Conduct test via Chat bot.	Person	274
		%	100
Supply Chain Sustainability			
Procurement			
204-1	Proportion of expenses to domestic suppliers	%	81
Raising the level of the business partner			
308-1, 414-1	Number of Tier 1 supplier have passed the sustainability self-assessment.	Person	61

Quality of life in workplace				
Employee				
102-8	**Total number of workers**		**Male**	**Female**
	Employees	Person	2,824	2,259
405-1	**Diversity of employees**			
	Classified by level			
	Operating level (D-E2)	Person	4,791	
	Management level (M1-M3)	Person	220	
	Executive level (L1 and above)	Person	72	
	Classified by age			
	Less than 30 years old	Person	1,246	
	Between 30-50 years old	Person	3,459	
	More than 50 years old	Person	378	
	Classified by region			
	Bangkok and Vicinity	Person	1,383	
	Other provinces	Person	3,700	
	Employees with disabilities	Person	50	
Recruitment of new employees				
401-1	**New hires**		**Male**	**Female**
	Number of new-hire employees	Person	496	529
	Classified by age of the new-hire employees			
	Less than 30 years old	Person	635	
	Between 30-50 years old	Person	389	
	More than 50 years old	Person	1	
	Classified by region			
	Bangkok and Vicinity	Person	272	
	Other provinces	Person	753	

Quality of life in workplace			

Resignation

401-1	**Resigned employees**		**Male**	**Female**
	Number of resignations	Person	465	465
	Classified by age of the resigned employees			
	Less than 30 years old	Person	467	
	Between 30-50 years old	Person	432	
	More than 50 years old	Person	31	
	Classified by region			
	Bangkok and Vicinity	Person	271	
	Other provinces	Person	659	

Training and education

404-1	**Employee Training and Development**		**Male**	**Female**
	Average total employee training time	Hours/person/year	10.64	
	Percentage of employees who passed the People Development Plan	%	100	100
	Classified by Gender			
	Male	Hours/person/year	10.58	
	Female	Hours/person/year	10.71	
	Classified by level of employment			
	Operational level (D-E2)	Hours/person/year	8.36	
	Management level (M1-M3)	Hours/person/year	33.99	
	Executive level (L1 and above)	Hours/person/year	17.10	

Quality of life in workplace			

Occupational Health and Safety

403-2 (a)	Rate of all types of injuries	person/200,000 working hours	0.4116
	Rate of injury causing absence	person/200,000 working hours	0.2744
	Rate if disease caused by work	person/200,000 working hours	0
	Rate of severe injury caused by work	day/200,000 working hours	1.3033
	Accident rate per million kilometers	Person/1,000,000 Kilometer	7
	Number of deaths from work	Person	0
	Number of accidents that caused an absence of more than 3 days.	Case	3

Remark: Accident rate per million kilometers, only Durbell Co., Ltd.

Nutrition and Food safety			

Customer health and safety

	Percentage of health products	%	64.18
416-2	Percentage of complaints about products and services affecting health and safety that were handled.	%	100

Product and service labeling

417-3	Percentage of complaints related to marketing communications and services that were handled.	%	100
417-2	Percentage of complaints related to product information and labels that were handled.	%	100

Environmental Friendly			
Energy consumption			
302-1 (e)	Total Energy Consumption	Megajoules	959.87
302-1 (a)	Fuel Consumption	Megajoules	261.37
302-1 (b)	Renewable energy	Megajoules	494.26
302-1 (c)	Energy purchased	Megajoules	204.24
302-1 (d)	Energy sold	Megajoules	NA
302-3	Energy consumption per unit of production	Megajoules/ FG Liter	1.231
	use of fuel in transportation	Liter	4,392,563.91
Greenhouse gases			
	T.C. Pharmaceutical Industry Co., Ltd. (Factory)		
305-1	Greenhouse Gas Volume (Scope 1)	Ton CO_2eq	13,088.2
305-3	Greenhouse Gas Volume (Scope 2)	Ton CO_2eq	31,484.8
Waste			
306-2 (a)	Hazardous waste - industrial waste		
	Re-use/use by other means	%	92.93
306-2 (b)	Non-Hazardous waste – industrial waste		
	Compost to make fertilizer or soil improver.	%	38.04
	Re-used in some other functions	%	60.74
	Send it back to the seller for repackaging or re-use.	%	0.96
	Animal feeds	%	0.23
	Landfill according to sanitation principles	%	0.02

Water Resources

303-3 (a)	Total volume of water extraction from all areas	million cubic meters	3.69
	Surface water (total)	million cubic meters	3.53
	Fresh water (total dissolved solids content ≤1000 mg/l)	million cubic meters	3.53
	Other water (total dissolved solids >1000 mg/l)	million cubic meters	NA
	Tap water (total)	million cubic meters	0.15
	Fresh water (total dissolved solids content ≤1000 mg/l)	million cubic meters	0.15
	Other water (total dissolved solids >1000 mg/l)	million cubic meters	NA
	Underground water (total)	million cubic meters	0.005
	Fresh water (total dissolved solids content ≤1000 mg/l)	million cubic meters	0.005
	Other water (total dissolved solids >1000 mg/l)	million cubic meters	NA
303-3 (b)	Total volume of water extraction from all water-critical areas at Bang Pakong Basin	million cubic meters	3.53
	Surface water (total)	million cubic meters	3.53
	Fresh water (total dissolved solids content ≤1000 mg/l)	million cubic meters	3.53
	Other water (total dissolved solids >1000 mg/l)	million cubic meters	NA
	Water usage rate per product unit	Liter/FG liter	2.28

Water management support

	Collecting the amount of water from the TCP Embrace the Basin Project	million cubic meters	10.59

Socio Economic			
Improve the economic quality of life for the local community			
	Number of beneficiaries from project implementation	person	10,462
	Generate income for the community/school in the project.	Million baht	5.39
	The percentage of the area where the business is located has a project set up.	%	43.48
	Significant Community Complaints	Subject	0
Social expenses			
	Donations to charities	Million baht	51.55
	The value of supporting the implementation of social projects	Million baht	24.34
	Scholarship value for children and youth in nearby areas, head office and factory, Prachineburi	Million baht	11.81

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	General Disclosures			
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	102-3 Location of headquarters	12		
	102-4 Location of operations	12-14, 17		
	102-5 Ownership and legal form	-		https://www.tcp.com/about/?m=atboard
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	Strategy			
	102-14 Statement from senior decision-maker	4		
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	Ethics and Integrity			
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GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	84		
Supplier Environmental Assessment				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	51		
Employment				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	61		
Occupational Health and Safety				
GRI 403: Management Approach 2018	403-1 Occupational health and safety management system	66-69		
	403-2 Hazard identification, risk assessment, and incident investigation	66-69		
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	403-5 Worker training on occupational health and safety	66-69		
	403-6 Promotion of worker health	66-69		
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GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	84		
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GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria.	51		
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GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	56-57		
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Epilogue

Looking back on 2020, what's worth remembering isn't just our success in adapting the Group's business strategies to the challenges presented by the global coronavirus pandemic. Our main source of pride lies in the care and concern the TCP Group has shown for all sectors of society affected by this crisis, whether local communities, medical personnel, customers, or employees in Thailand and abroad. Our motto "Helping each other for a better world" is reflected perfectly throughout the pages of this sustainability report.

In June 2018, the TCP Group announced its Sustainable Development Plan, based on a framework of three pillars and 6 programs, each with its own set of clearly-defined goals. 2020 marked the second year of the plan's implementation. The Sustainable Development Committee and the working group for each program carried out various activities to achieve their specific goals. Even though 2020 was a year of adversity, the working groups continued to work to make TCP an organization committed to business growth and a truly sustainable society.

However, over this time, we have learned that to incorporate sustainability in all dimensions of business while meeting the expectations of all our stakeholders, there is no one formula for success. Although we are making great progress on many projects such as corporate governance and community development, there are still some areas, such as reducing environmental impact in the production process and developing sustainable packaging, in which working groups must improve in order to achieve the desired results. The Committee recognizes that further work is needed if the organization is to meet its sustainability goals.

At the end of 2020, the TCP Group once again started working with experts and consultants in sustainability to review whether ongoing plans and goals are consistent with current conditions. Once the information obtained has been presented to the working groups and Corporate Sustainable Development Committee for their consideration, plans and goals for the year 2021 will be adjusted accordingly.

The path to sustainability is long, with many new challenges ahead, but TCP is focused and confidently prepared for what's to come.

tcp *Sustainability*

The Sustainable Winning Power Momentum
พลังชัยชนะที่ยั่งยืน

T.C. Pharmaceutical Industries Co., Ltd.

288 Ekkachai Rd, Khlong Bang Phran,
Bang Bon, Bangkok 10150

Tel : +662 415-0100 Ext. 1150   Fax : +662 415 0100 - 3

E-mail : info@tcp.com

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