



SUSTAINABILITY REPORT 2020



DRIVE
THE SUSTAINABILITY

DRIVE

The Sustainability



VISION & MISSION

Vision

“To be an Innovative Driven and Sustainable Company for Highly Reliable and Quality Elastomer Products and Rubber Tires in comply with Environmental Social and Governance (ESG)”

on the ground
of 7 policies:

-
- 1 Sustainability in Safety and Environment
 - 2 Quality in Each Product with International Quality Systems
 - 3 Best Satisfaction to Customers in 4 Product-Dimensions
 - Price/Cost:** (C) At the Best Competitive Level for Customers
 - Quality:** (Q) At the Best Competitive Quality Rating by Customers
 - Delivery:** (D) At the Best Competitive Delivery Rating by Customers
 - Services/ Solutions:** (S to S) At the Best Service to Solutions for Customers at All Time
 - 4 Create the Opportunities of Human Resource Improvement to Achieve Competencies in All Levels
 - 5 Continuous Research and Development for New Innovations, Products, Processes and Market and Keep Generating the Outputs of Existing Business
 - 6 Generating Strong Financial Status and Attractive Return to Shareholders
 - 7 Supporting the Good Corporate Governance and Corporate Social Responsibility



Mission



1

Focusing on Product,
Production and
Marketing Innovation



2

Selecting Technology
and Enhancing the
Ability to Use
Technology



3

Aiming to Strengthen
Human Resource at
All Levels



4

Improving the Efficiency of

- Usage of Production Resources (4M)
- Effective Communication
- Enable Data and Data Management
- Marketing and Service Team



5

Create Economic
Sustainability



6

Create Ecological
Sustainability

CORPORATE CORE VALUES AND CULTURES:

IRCTG

“Inspiration & Creativity
Respect for Society
Care & Accountability
Team Spirit Green Culture”



**Inspiration
& Creativity**



**Respect
for Society**



**Care and
Accountability**



Team Spirit



Green Culture



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Message from the Chairman



In 2020, many challenging factors have affected IRC's business operations, such as the trade war between USA and China, the outbreak of Coronavirus 2019 (COVID-19), the climate change, as well as the rapid changes in the digital age and technology. Under the Company's vision

“ To Be an Innovative Driven and Sustainable Company for Highly Reliable and Quality Elastomer Products and Rubber Tires in comply with Environmental Social and Governance (ESG) ”

IRC has continued to become a sustainably growing organization realizing the balance of economy, society and environment. In terms of economy, the Company is committed to research and development, innovation, technology and automation to maintain quality and customers' satisfaction and trust. In terms of society and environment, the Company is committed to conducting corporate social responsibility (CSR) activities under 8 major projects to respond to all stakeholders and strengthen the awareness and green culture in the organization.

The Company has continued to adhere to '**Sustainability Strategy**', consisting of a solid IRC-DNA foundation, such as the awareness that: 1. "Our Company Our Home", 2. "Corporate Culture", and 3. "Competency Development and Career Path", with a clear plan for sustainability, as well as a systematic framework of risk management and supply chain management, coupled with good corporate governance and ethics. These all facilitate the Company's business operation to be sustainable and effective, responding to stakeholders and in line with the United Nations' Sustainable Developments Goals (SDGs).

Thanks to our constant diligence in 2020, the Company was selected as one of the '**100 Outstanding Registered Securities on Environment, Society and Governance (ESG 100)**' by the Thaipat Institute for the fifth consecutive year. We also achieved '**the CG Score of Very Good Level Recognition (4-star)**' from the Thai Institute of Directors Association for the sixth consecutive year. Moreover, the Company has been listed in '**Thailand Sustainability Investment: THSI**' or "**sustainable stocks**" of the Stock Exchange of Thailand for the fourth consecutive year, showing the Company's status is outstanding and is a model organization that operates its business in accordance with sustainable development guidelines.

On behalf of IRC, I would like to thank all stakeholders for participating in driving our organization to reach sustainable growth. In 2021, the Company will adhere to research and innovation development in order to drive business operations in terms of economy, society and environment to be further efficient and sustainable.

Mrs. Pimjai Leeissaranukul
Chairman/ Executive Chairman

About this report

Reporting Procedure

This 2020 Sustainability Report is the 6th of its kind by the Inoue Rubber (Thailand) Public Company Limited “IRC”, which is published annually. This report has been prepared in accordance with the GRI Standards: Core Option. The contents include the assessment of IRC materiality issues, stakeholders, management process, as well as operational performance in economic, social, and environment in respect to stakeholders who make use of the information in a decision-making and are aware of non-financial performance of the during October 1st, 2019 – September 30th, 2020. In this year, IRC still adopts the ‘Sustainable Development Goals’ or ‘SDGs’ as our compass in driving our stakeholder engagement and being a linkage of sustainable development at the international level.

Scope of Report

This sustainability report covers operational results from Motorcycle Tires and Tubes and Industrial Elastomer Parts businesses, which are located in Rangsit and Wangnoi sites respectively. The report includes operational performance in economic, social, and environment including performance of its subsidiaries as follows



IRC (Asia) Research Company Limited



Kin no Hoshi Engineering Company Limited

Process improvement to increase efficiency and reduce production costs, product development, process improvement for sustainable environment, and automated production are included in Innovation Management topic. Performance in supply chain regarding environment, social, and governance, Green Value Chain, SME supplier support, and sustainable supply chain development strategy is included in Supply Chain Management topic. Both Innovation Management and Supply Chain Management are financial performance which continuously supplies profit and net revenue for the company as reported in Innovate for Growth.

Internal and external social responsibility in this year aim to create value for outside and inside community, responsibility for employee, financial and non-financial welfare, employee development through overseas and

domestic training, upskilling and reskilling, occupational safety and health, in order for IRC to be accepted by employees and relevant communities with responsibility to stakeholders report.

For environmental performance, there are water management, production waste management, environmental impact assessment, and energy conservation. This organized environmental management has monitoring and evaluation process as well as review process for constant improvement. The next target of the company is to achieve Green Industry Level 4 certification with the intention to encourage employees to engage in environmental management, for example, conserve energy, sort waste properly, etc. which is included in environmental performance (Create Green Culture).

The scope of the 2020 Sustainability Report follows the

Innovate for Growth
Responsibility to Stakeholders
Create Green Culture

themes which become principal for operations in which IRC wishes to unveil in 2020. For more information, please download the full version of this report via

[www.ircthailand.com/th/investor/sustainability](http://www ircthailand com/th/investor/sustainability)

Or contact

[www.ircthailand.com/th/investor/relations/comment](http://www ircthailand com/th/investor/relations/comment)

About IRC



Inoue Rubber (Thailand) Public Company Limited

“Inoue Rubber”(Thailand) Public Company Limited or “IRC” is a Thai-Japanese joint venture that established with a commitment to the business of manufacturing elastomer rubber products for use in the automotive and other industries. And the business of producing tires and tubes of motorcycles with high quality in the world standards Which has a production factory located at Rangsit site, Pathum Thani and Wang Noi site, Phra Nakhon Si Ayutthaya.

Company Abbreviation: IRC

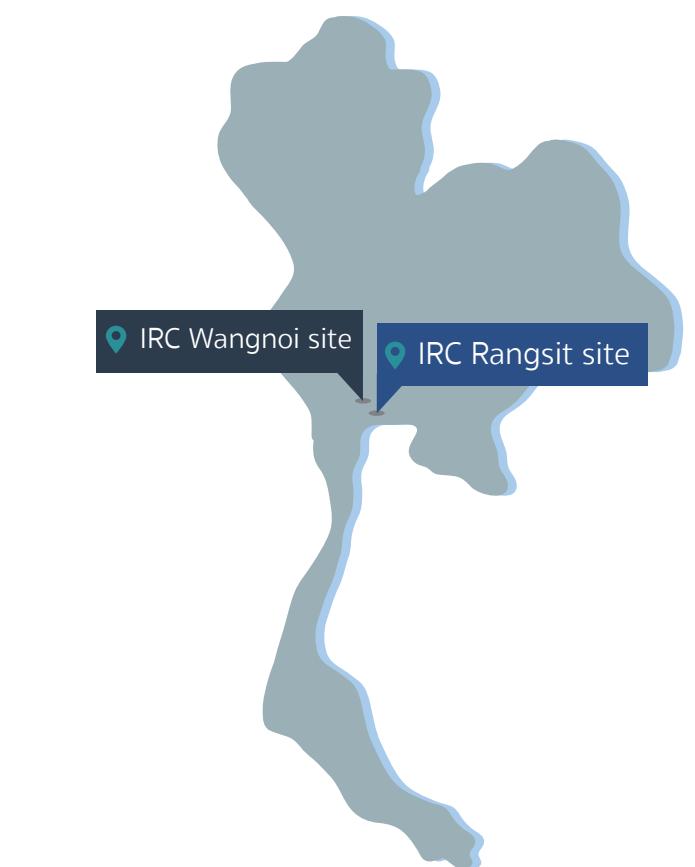
SET Industry: Automotive

Established: 15 December, 1969

Listed in SET: 25 September, 1994

Registered Capital: 200 Million Baht (Paid up)

Number of Shares: 200 Million Ordinary Shares



Tires & Tubes Business unit

IRC Rangsit site

Established 15 Dec 1969

Products: Motorcycle tires and tubes

Address: 258 Soi Rangsit-Nakornnayok 49,
Prachathipat, Thanyaburi, Pathumtani 12130

Tel: 02-9960890

IED business unit

IRC Wangnoi site

Established 18 Jan 1995

Products: Automotive and Industrial Elastomer

Address: 157 Moo 5, Phaholyothin Rd. Lamsai,
Wangnoi, Ayutthaya 13170

Tel: 02-9961471



Value Chain

Circular Economy

- Best Quality
- Best Price
- Enhance SMEs supply chain capabilities
- Improve production capabilities and create added value for rubber community



Explored

- Quality Reliability
- Innovative environmental friendly
- Innovative for future automotive
- Improve product quality for better consumers' quality of life



Product Design

- Productive & Efficient Production
- Reduce Environmental Pollution in Process
- Energy Conservation
- 3Rs



Excellent Technology

- Delivery Quality & Safety Product to Customer
- Environmental Friendly Product



Delivery Quality Product

- Road Safety
- Quality life



Quality life

Summary of Highlight

Performance 2020



Corporate Governance

- Certified as a member of the Private Sector Collective Action Coalition Against Corruption (CAC) for 3 years since the approval date on 30 June 2020 and our membership will be expired on 30 June 2023,

Conflict of Interest Report through Online

Channel
100

No Gift Policy Years consecutively

5



Corruption Incident(s)

0



Executives and Employees Participating in the Anti-Corruption Policy and Test



Percentage
61

Economic Growth

Total Revenues
4,433.89 Million Baht



EBIT

264.32

Million Baht



Total Net Profits

219.06

Million Baht



Dividends

0.5699

baht / share

Revenue Percentage per Business Group



Motorcycle Tire

35.79%



Automobile Parts

31.57%



Motorcycle Tube

11.84%



Other Industries

20.80%



Automation Development for Better Production



31 Projects



21.85 Million Baht



Environment

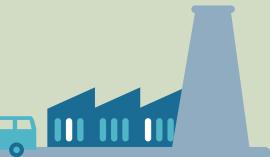
Direct GHG emissions
(Scope 1)

13,280.14 tCO₂e



Direct GHG emissions
(Scope 2)

22,758.22 tCO₂e



Water Usage
by Type

0.096
Million m³

Authority Water

0.072
Million m³

Groundwater



Total Energy Usage

286,816.63 gigajoules



Renewable Energy Usage

4,183.63 gigajoules

Corporate Value and Culture



Inspiration &
Creativity



Respect for
Society



Care &
Accountability



Team Spirit



Green Culture



Creating Value
for Society



Safety

Total Hours of No Lost
Time Accident



Wangnoi

1,786,477 ช.ว.



Rangsit

2,134,396 ช.ว.

Customer satisfaction



Rangsit **84.22** %



Wangnoi **82.82** %

Employees

Total number of employees

1,402 persons



891
persons



511
persons

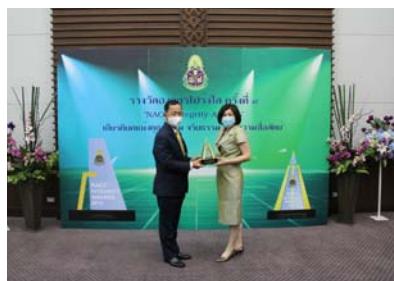


CERTIFIED
COMPANY



Awards & Successes of IRC

Sustainability & Economic



- The Company has selected to be listed in the Thailand Sustainability Investment 2020 (THSI) by the Stock Exchange of Thailand. The Company is one of the 124 selected listed Companies that operates the business sustainably with consideration to Environment, Social and Governance for 4 consecutive years.
- The Company received the Honorable Mention from the 9th NACC Integrity Awards 2019 from the Office of National Anti-Corruption Commission on 3 July 2020. The Company listed the 1 of 4 private organizations, out of 20 organizations those are received the Honorable Mention from the 9th NACC Integrity Awards 2019.
- The Company has been certified as a member of the Thailand's Private Sector Collective Action against Corruption (CAC) from the resolution of the Anti-Corruption Commissions meeting. CAC was founded by the country's eight leading organization in the private sector. The certification will be valid for 3 years, from the approval resolution date on June 30, 2020 to June 30, 2023.
- The Company has received the Sustainability Disclosure Acknowledgment award 2019 in the category of honorary award (Sustainability Disclosure Recognition) organized by the Securities and Exchange Commission and Thaipat Institute on December 11, 2019. This award considered and evaluated the status of sustainability information disclosure to the public and related stakeholders.
- The Company has rewarded to be one of the outstanding company in the sustainability management particularly in Environmental, Social and Governance (ESG) aspects by Thaipat Institute , which is called 'ESG100' for the year 2020 for 5 consecutive years.

Social, Occupational Health & Safety, and Working Environment



The Company, Rangsit Factory, received a declaration of honor: Bronze level Year 1 from the Zero Accident Campaign 2020 that organized by the Ministry of Labour on June 10, 2020. The Company has well managed the safety, occupational health and working environment, thus recorded the continuous working hours without serious accidents with the amount of 2,760,679 hours

Environment



The Company received a certificate of the Combustion Optimization Project for Boiler that use Liquid as a Thermal Conductor from the Department of Industrial Works, Ministry of Industry on July 24, 2020. The project aims to conserve the energy and reduce PM 2.5 from the factories in Bangkok and Metropolitan areas.



The Company, Rangsit factory, received Gold Award 2020 and certificate for the organization that passed the evaluation from “TOGETHER WE CAN, Create the Sustainable World with GSEE” event that organized by the Provincial Electricity Authority (PEA) on October 21, 2020. The award is considered from the implementation of the GSEE (Global Sustainable Energy and Environment) standard to the business operations, then the result can be concretely measured. The Company can reduce the amount of the electricity consumption around 9,800,000 units per year, representing a reduction of carbon dioxide emissions at least 6,366 tons per year.

Assessment of the Materiality Issues and Stakeholders' Engagement

Procedures of the Materiality Issues Assessment

1. Identification of key issues

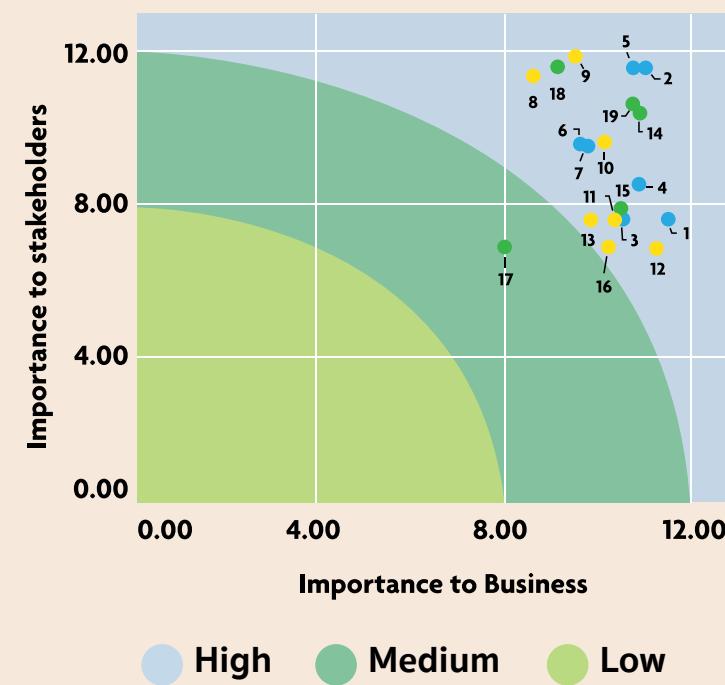
The Company has established the scope of analysis on key issues for sustainability as follows:

Internal factors: Analyze the sustainability issues affecting the value chain for short-term and long-term sustainability, covering from raw material selection activities until delivery to consumers, including key factors affecting the Company's Vision, Mission and Sustainability Strategies.

External factors: Analyze issues under the attention of stakeholders, tendency of Thailand and the world, and the UN Sustainable Development Goals (SDGs).

2. Prioritization

Considered the interesting internal factors and external factors and prioritized issue by stakeholders and executive committee as showed below.



***Remark:** Vertical is key issues to stakeholders, analyzed from collecting primary and secondary data such as interviews, evaluations, data from the shareholders' meeting minutes and other news sources from stakeholders, etc.

Horizon is key issues to the organization, analyzed from the evaluation of impacts on the organization by executives, and long-term risks.

Economic:

1. Quality and Cost Competitiveness
 2. Risk Management
 3. Supply Chain Management
 4. Business and Social Innovation
 5. Quality Reliability
 6. Anti-Corruption
 7. Corporate Governance

Social:

8. Human Rights
 9. Occupational Health, Safety and Well-being
 10. Corporate Social Responsibility
 11. Customer Relationship Management
 12. Human Resource Improvement
 13. New Normal Life

Environment:

14. Environmental Management
 15. Energy Conservation and Global Warming
 16. Green Product
 17. Ecosystem Conservation
 18. Climate Change
 19. Efficient Resources Management (3Rs)

3. Validation

In 2020, the Good Corporate Governance and Social Responsibility Committee reviewed the materiality issues by considering Thailand's Roadmap, the development to Thailand Industry 4.0, the economic direction both domestic and international levels, and the United Nation's Sustainable Development Goals or SDGs, then presented to the Executive Committee for consideration as a practitioner. Lastly, the materiality issues were proposed to the Board of Directors to consider whether they comply with the overall enterprise direction and appropriateness. This is to ensure that the materiality issues are selected, reviewed, and assessed comprehensively and up-to-date.

4. Establishment of guidelines to respond to stakeholders

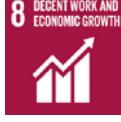
Key issue on sustainability considered and approved by the Board of Directors will determine the operational direction at the plan/project level and use it as a strategy to drive the business to meet the needs of stakeholders, and suitable for business operations in the current business ecosystem.

Stakeholders' Engagement and Sustainable Development Goals (SDGs)

The Company listens to every voice of the related stakeholders about each step of business operation, and realizes the importance of running the business with CSR-along-process. We deliberately aim to drive the strategies together with continuously improve the stakeholders' engagement to efficiently and extensively respond to their requirement and expectation. This leads to the improvement of sustainability management process.

According to the assessment of the materiality issues that affected IRC Business Sustainability as shown in the topic of the Materiality Issues Assessment, the materiality issues that are related with the 7 stakeholder groups are shown as follows:

| Stakeholders | Stakeholders Expected | IRC Management Approach | Feedback in 2020 | Responding to SDGs |
|---|--|---|--|---|
| 1. Shareholders  | 1. Corporate Governance 2. Anti-Corruption 3. Risk Management 4. Business Innovation | The Board of Directors, as a representative of every shareholder groups, performs 1. Determined the policy and the handbook of good corporate governance and business morality as a guideline to follow 2. Continuously promote the development in corporate governance 3. Support to the preparation of Sustainability Report 4. Set up corporate governance and social responsibility committee, and risk management committee 5. Risk Management preparation plan | 1. All stakeholders can together understand and realize the goal and direction of the IRC's operation in long-term 2. ESG 100: 2020 Certificate 3. IRC got the evaluating CG score as 4 stars 4. Thailand Sustainability Investment (THSI) 2020 5. The Honorable Mention from the 9th NACC Integrity Awards 2019 6. Be a member of the Thailand's Private Sector Collective Action against Corruption (CAC) |  |
| 2. Competitors  | 1. Business and Social Innovation Development 2. Cost & Quality Competitiveness 3. The project for environmental benefit | 1. Maintaining product quality in the standard level and building customer satisfaction 2. Developed product process to enhance competencies competitiveness 3. Do not accuse or discredit its rival's reputation, and dump the market 4. Do not exploit benefits from natural or social situation such as natural disaster, insufficiency, and poverty to gain unfair competitive advantage | 1. Brings about an efficient, cost reduction and environment-safely process including new products creation that leads business advancement and overall industrial development 2. Good trading relationship |  |

| Stakeholders | Stakeholders Expected | IRC Management Approach | Feedback in 2020 | Responding to SDGs |
|--|--|---|---|--|
| 3. Suppliers  | Supply Chain Management efficiently | <ol style="list-style-type: none"> The principles of behaving towards supplier with fairness The policy of transparent suppliers choosing by set up the criteria, which complies with the legal and operational base on the humanitarian Encouraged efficiency development to supplier's operation Improved the supply chain level | <ol style="list-style-type: none"> The chosen suppliers are able to deliver quality products and services to the Company The competitiveness of the Small and Medium sized Enterprises (SMEs) are enhanced, and they could become economic driving henceforward Social Enterprise Project: (Klongpang Cooperative, Trang Province) |   |
| 4. Employee  | <ol style="list-style-type: none"> Employees obtain fair benefits and compensation. Support their health and hygiene in the workplace, and employment security. A happy work environment. Development of professional skills consistent with changing situations. Fair listening channels | <p>The effects of COVID-19 outbreak result in the Company's measures to look after employees to reduce the risk of COVID-19 outbreak as follows:</p> <ol style="list-style-type: none"> Control entry and exit of general public which are required to screened with a screening system for body temperature under the condition that the body temperature must not higher than 37.5 degrees Celsius. Adequately provide related equipment such as fabric masks, or alcohol gels, etc. to employees. Divide employees in groups and separate their working area for Social Distancing. Promote the practical guidelines on healthcare to employees. Provides sharing cabinets in the Company's premises so that the employees can share food/things to each other.The Company also prepares IT resources to suit the application of online meetings or trainings from external organizations in order to facilitate employees in performing their works, and learning more skills. | <ol style="list-style-type: none"> None of employees exposed to COVID-19 Average training hours per year per employee are 26.91 hrs./person Average turnover rate is 31% |    |

| Stakeholders | Stakeholders Expected | IRC Management Approach | Feedback in 2020 | Responding to SDGs |
|--|--|---|---|---|
| 5. Society, Community, and Environment  | <ol style="list-style-type: none"> Business and social innovation Environmental Management Energy Conservation and Stop Global Warming | <p>The Company determines</p> <ol style="list-style-type: none"> Social Responsibility and Environment Policy Promote products that reduce greenhouse gas emissions Promote the IRCT Group Core Values and Green Culture Knowledge transfer <ul style="list-style-type: none"> Create good environment in IRC, surrounding community, society and country with the Sustainable Development Goals (SDGs) | <ol style="list-style-type: none"> The satisfaction assessment results from surrounding communities in 2020 higher than 91 |    |
| 6. Customers  | <ol style="list-style-type: none"> Customer Relationship Management Quality Reliability | <p>Realize and adhere to '<i>Spirit of quality</i>' that</p> <ol style="list-style-type: none"> Quality First, Delivery on Time, Customer Satisfaction Follow rules, maintain standards at all times. Promote production with internal quality controls in each unit of production processes. The Executive Chairman and Managing Director support the decision making of quality assurance department. | <ol style="list-style-type: none"> Awards, certificates, plaques and other awards provided to the Company by customers and the assessments from external institutions. Collaborative activities with customers, such as Sponsoring Eco-run motorcycle tires for fuel-efficient vehicles for vocational schools to participate in the fuel-saving car competition in Japan, etc. |  |
| 7. Government Agency  | <ol style="list-style-type: none"> Certification Comply with concerned Law and Regulation Control environment inside the Company at required standard | <ol style="list-style-type: none"> The Company asks permission and certification from related parties before starting the operation The Company follows concerned law and regulation Be responsible for society, as well as control, maintain, preserve and promote environment | <ol style="list-style-type: none"> The Company and its subsidiaries do not have legal dispute or lawsuit where the directors, executives, or related person are being involved. |  |

Sustainability Management

Sustainability Strategy

IRC is resolute to propel the organization to sustainability as per the sustainability strategy of the Company. It begins with the concrete base of everybody in IRC called IRC DNA, which consists of



Along the road to firm sustainability, there must be the risk management and supply chain management conducted by Risk Management Committee. On the other hand, Good Corporate Governance and Code of Conduct are conducted by Good Corporate Governance and Social Responsibility Committee. In addition, transparency and accountability are conducted by Audit Committee.

The roadmap for sustainability goal requires 4 key plans as follows.



Each department consists of a plan, a target, and an indicator, which are monitored and evaluated daily, monthly, and quarterly by the Executive Committee and the Board of Directors. These key plans bring about the competitiveness in cost, quality and product reliability, as well as revenue growth responsible by 3 main channels which are 1. Existing Products, 2. New Products and 3. New Markets that all lead to IRC's sustainability goal.



STRATEGY MAP

On the way to IRC Sustainability, there are Risk and Supply Chain Management as a top frame, and the Corporate Governance as the other frame to conduct the road.



Economic, Social, and Environment Practice

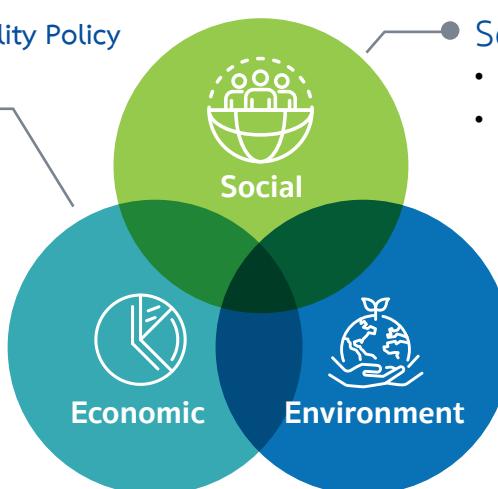
The Good Corporate Governance and Social Responsibility Committee (referred to as ‘the Committee’) appointed a ‘working team’ consisting of executives and employees from various departments that normally have interaction with IRC’s stakeholders by following their roles and responsibilities so that they can drive IRC’s sustainability in terms of economic, social, and environment.

Moreover, the issues related to Environment, Social, and Governance ‘ESG’ are tackled in policies and procedures assigned by the Committee. The working team shall listen to and collect comments and recommendations from stakeholders then report to the Committee on a quarterly basis, or immediately. In urgent case, the Committee will be able to define the proper and prompt strategy and procedure to manage each group of stakeholders properly and timely. If there are any significant issues that shall affect the Company’s business strategy or forecast, the Committee shall report to the Board to consider and define the procedure to manage later on.

The Results of Pushing Forward and Implementing the Sustainability Policy

Economic

- Received ESG certificate from Thaipat Institute
- Awards from customers, government offices, and others
- Continuously pay dividend to shareholders
- New product expansion



Social

- Good relationship with communities
- Opportunity of transferring knowledge and good things to Thai SMEs

Environment

- Energy reduction
- Reduce pollution and global warming
- ISO14001 Certified
- Environmental Award

Good Corporate Governance

Good corporate governance is the important basis for business operations, and the essential framework for sustainability. As such, the Company has specified strategies, policies, and management approach for the corporate governance as in the following process.

Good corporate governance policy consists of 5 principles namely;

- I. Rights of Shareholders
- II. Equitable Treatment of Shareholders
- III. Roles of Stakeholders
- IV. Disclosure and Transparency
- V. Board Responsibilities

Corporate Governance Code:
CG Code 2017

Comply with



Corporate Governance
Code for listed companies:
CG Code 2017

Source: The Securities and Exchange
Commission, Thailand (SEC)

IRC has featured good practices and policies of good corporate governance as well as Code of Conduct and Business Morality for the Committee and employees in “Handbook of Good Corporate Governance”. In 2020, IRC reviewed our Handbook of Good Corporate Governance to align with the Principle of good practice and Corporate Governance Code: CG Code 2017, and assess the current situation of the company against the current situation.

For...



Performance

In 2020, IRC has received 4 stars in CG Score for 6 consecutive years.

“Very Good” CG scoring



Inoue Rubber (Thailand) Public Co., Ltd.

Industrials/Automotive

CG Report:



In 2020, The Self-Assessment of the Board and other sub committees covered topics as follows

|  Board Skill Matrix |  Self-Assessment as a whole |  Self-Assessment as an individual |
|--|--|---|
| 1. Business Management 2. Industry 3. Profession Knowledge 4. International Business 5. Strategic Management 6. Laws and Regulations 7. Accounting 8. Finance 9. Information Technology 10. Economy | 1. Committee Structure and Qualifications 2. Roles, Duties and Responsibilities of the Committee 3. The Committee Meeting 4. The Committee Duties 5. Relations with the Management 6. Self-Development of the Directors and the Executive | 1. Committee Structure and Qualifications 2. The Committee Meeting 3. Roles, Duties and Responsibilities of the Committee |

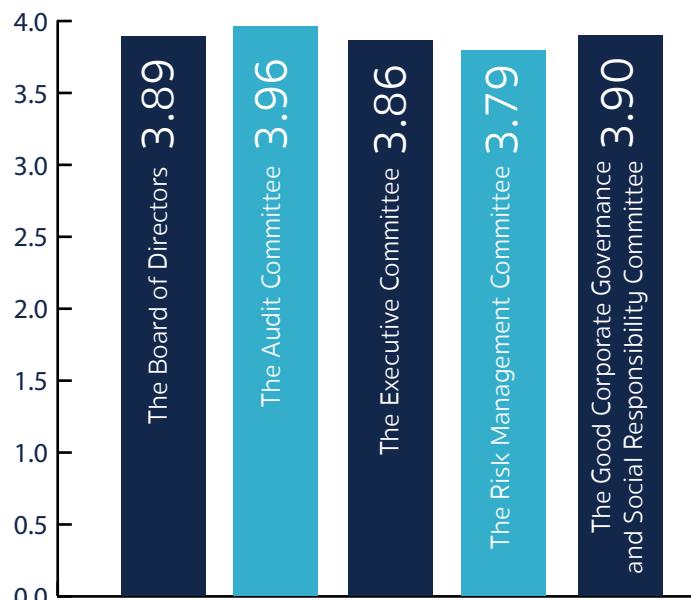
The Board of Directors and the Sub-Committees' Self-Assessment Results for Year 2020

Note: From a total of 4 points, the conditions are as follows;

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Fair or moderately conducted
- 3 = Agree or well conducted
- 4 = Strongly agree or excellently conducted

For more information, please download at;

 <http://www.ircthailand.com/th/investor/corporate/charters>



Anti-Corruption

The Company realizes and acknowledges the importance of the transparency operation, good corporate governance, social and stakeholders responsibilities, and anti-corruption policy which, in particular, can prevent any type of corruption in an organization.

As a good corporate member, IRC specified the operational principle to counter the business of the corrupted group or individual who pursues illegitimate benefits. Meanwhile, the Company can be entrusted with operating business due to the corruption-free environment. The Board of Directors has defined the anti-corruption policy as well as the responsibilities of directors, executives, and employees at all levels. This begins with creating awareness and values in ‘Self-Respect’ under the belief that if a person perceives and respects own values, it shall be the fundamental of integrity and self-control to avoid oneself from doing any wrong actions as well as any wrong thought. This acts as an anti-immoral action.

Management Approach of Monitoring and Evaluating the Implementation of Anti-Corruption Policy

To encourage employees at all levels to act in accordance with procedures set in the Anti-Corruption policy, IRC has provided the communication channels such as training to existing employees, presented as orientation curriculum for new employees which there is a post-test to assess the understanding. Additionally, IRC has provided the communication materials of the Business Morality, Code of Conduct for the Business Conduct, Code of Conduct for directors and employees, and Anti Corruption Policy for publication.



No Gift Policy

For no gift policy, it is part of anti-corruption policy which was announced by the Company to be the practice standard to all employees.



Whistle-Blowing Procedure

IRC has provided the channels for whistle-blowing as listed below;

- Filing complaints to the Chairman
- Filing complaints by posting a mail to the Chairman or the Company’s secretary at 258, Soi Rangsit-Nakhon Nayok 49, PrachathipatSub-District, Thanyaburi District, Pathumthani 12130.

In case that the whistle-blower does not want to disclose own identity, the Company has opened the electronic channels namely;



listen@ircthailand.com



[www.ircthailand.com/th/investor/corporate/whistleblowing](http://www ircthailand com/th/investor/corporate/whistleblowing)

IRC has a policy to keep all the information confidential in order to protect the whistle-blowers from any fear of authority power or any action of the violation. After the case is closed, the Company will report the investigation result to the whistle-blowers as appropriated.

The Evaluation of Corruption Risk

The Board assigned the Risk Management Committee to assess corruption risks and impacts that might occur to the Company so that the risk has usually been examined and monitored. Moreover, the policy, procedures / practices and the authority table are set as a part of risk management process in order to create internal check and balance mechanism. As a result, the Company has communicated this risk management for all related persons to realize and implement in the same practice companywide.

Performance

- In 2020, IRC does not face any complaint
- The Company has been certified as a member of the Thailand's Private Sector Collective Action against Corruption (CAC) from the resolution of the Anti-Corruption Commission's meeting in Q1/2020 by considering the Company's self-assessment form on anti-corruption measures. The certification will be valid for 3 years, from the approval resolution date on June 30, 2020 to June 30, 2023.



Risk Management

Commitment

The Company realizes the importance of the risk management in order to handle the uncertainties. Risk management is a significant component of every process in every level of business operations which are all interconnected. The goal of risk management is to facilitate sustainable business operation.

Management Approach

The Board of Directors recognizes that the risk management is the significant process for business operation and sustainable growth, as well as complying with the Good Corporate Governance for Listed Companies 2017 (CG Code 2017). Thus, the Risk Management Committee has been assigned to systematically perform the Company's risk management to comply with the rules, good practices, and international standards such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO ERM), ISO 14001: 2015, and ISO 9001: 2015. With a clear emphasis on the management of four major risks including strategy risk, operational risk, financial risk, and compliance risk, the Risk Management Committee has determined to earnestly pursue the "Risk Appetite" framework that pave the way to strategic and business planning following the short-term and long-term organizational objectives and goals.

To push the Company to make a better achievement of its objective and target, the Risk Management Committee has defined the roles and responsibilities of the Risk Management Committee, by emphasizing about the role that the risk owner must know and understand the risk of his/ her responsible job, together with promoting the contest and competition about innovation and management for internal organization, for every level of employee to recognize and participate in risk management, leading to a Systematic Report and maximize efficiency.

Furthermore, the Risk Management Committee has thoroughly reviewed its Key Risk Indicators (KRIs) covering the main business lines of motorcycle tires & tubes, and industrial elastomer parts to highly facilitate the assessment of key risks. Also, the Committee has strategically developed its Business Continuity Plan (BCP) to cope efficiently with changing economic situations and be prepared to tackle business crises to ensure no impact caused to the overall business process and the Company's stakeholders. Moreover, the Committee has monitored and summarized the performances of the risk management working team, and then reported to the Board of Directors on a quarterly basis.

Operational Results

The Company has a risk management and emergency project, which can net business benefits and show their figures (For example, lower budget, lower risk, higher revenue growth, positive impact for IRC, or relevant benefits). A risk management project has 4 components as follows.



Strategy Risk

The Company has determined a strategy for product research and development to fulfill customer requirements, secure market share, facilitate innovation, and create the Smart Factory in response to digitalization and technology advancement, and proudly move forward to be Thailand 4.0. Moreover, the Company has recognized the environmental sustainability and Zero Waste Policy, by applying the 3Rs: Reduce, Reuse, and Recycle to the production process to reduce costs and expenses.



Operational Risk

The Company has brought lean concept and automation system to codevelop with intelligent technologies, to enhance the efficiency and to reduce cost and losses in production management. The Company has also been encouraged to promote the Company's innovation deemed as part of the Company's corporate culture conforming to the Company's organizational vision and mission and the Thailand 4.0 model progressed by the government. These well-developed strategies will lead the Company's organization to greater competitiveness and success, while creating potential values for the Company's products and services in a sustainable manner. Moreover, to maintain the quality standard of the Company's productions, the Company has also determined to focus on controlling, developing, and maintaining machinery and equipment to ensure effective production process at all times, while preventing potential production problems that may affect the environment. Significantly, the Company has managed and improved the Company's production process to exceed the required standards and regulations continuously, and to ensure the least impact caused to the surrounding communities. The Company strives to maintain good relationship and understanding with all people living in the communal areas adjacent to the Company.



Financial Risk

Various financial fluctuations resulted in the major financial risk of the Company, which is the volatile exchange rate. The Company had transactions in both Japanese Yen (JPY) and US Dollar (USD) which have high fluctuation. Therefore, the Company has been observing the movement of exchange rate and raw material price closely. Moreover, the Company has defined a forward contract policy to tackle this transactional risk, as well as sending a summary report to the management regularly and to Management and the Risk Management Committee every quarter. Additionally, the Company has determined a financial management strategy to manage the high financial liquidity by paying dividend rate higher than the interest rate that the Company received from the short-term investment. Moreover, the Company has planned to invest in other channels; for example, innovation research, product development, Smart Factory, etc. Furthermore, accounts receivable aging reports were submitted to the management regularly, in order to follow up if a risk transaction was found, as well as sending the financial statement every quarter.



Compliance Risk

The Company complies with the legal, rules, and regulations, which related to production, operation, occupational safety and health, environment, labor, dissemination, corruption, and international standards deemed necessary and relevant to the business operation. From the Company performance, IRC has never violated any law or regulation.



Supply Chain Management

Commitment

Supply chain management is essential to IRC business both short and long term. It is also an opportunity for IRC drives the create shared value for stakeholders. IRC has to perform in the cost management with mainly strategy in customer satisfaction and risk management throughout value chain and cover enviroment social and governance (ESG) for competitive advantages by hasty response to frequently changes of customer requirements based on low productivity cost and the highest benefits by produced appropriately quantity. As the result of, the effectiveness of Supply Chain Management is necessary for the company.

Management Approach

IRC brought Supply Chain Management continuously in the related consistency. Management system aims to response in customer satisfactions with efficiency and effectiveness, by manage the inside and outside unit could be deliver goods or work pieces continuously to the next unit. Until at the end of the production line as quality goods, and then delivery to the customers as their requirements.

Green Value Chain is the IRC strategy, in order to establish a sustainable organization by incorporating social and environmental aspects in driving the business to promote transparency and fairness, including minimizing monetary losses, energy consumption and carbon emission as well as preventing corruptions and social inequality. Moreover, the Company has a Supplier/ Creditor policy to use as a guideline follows the Good Corporate Governance principle, the communication to supplier for their acknowledge about the Anti-Corruption policy, as well as declined every gifts offered.

The sustainable supply chain management of the Company emphasize on all risk aspects of the supply chain, in order to control the financial risk, operational risk, together with the strategy risk. This is to prepare for any situation that might affect the supply chain. IRC defines a condition to control such risks for a globalization standard quality product, enhancing the production efficacy and reduced cost, given a satisfaction income for shareholders. Nevertheless, IRC does not only focus on the internal process improvement, but also the development in the first, middle, and end lines of the supply chain. IRC has made a supplier survey for those who will become the Company's supplier covering social and environmental aspects, as well as evaluated the supplier every month and vendor at their production/ inventory area annually. The results from the survey will grant the Company the risk factors which will be used to develop the supply chain further on.

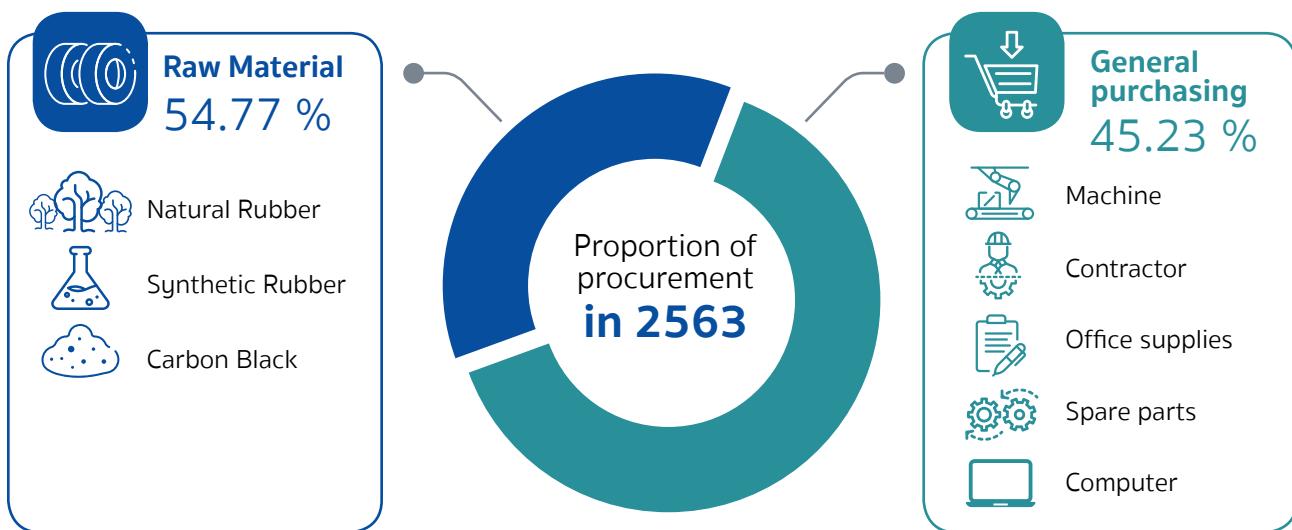
Performance

Risk Management and Performance Audit of Suppliers

To assess overall risks of suppliers, IRC has published the Handbook of Supplier Selection and sent the agreement to ensure that suppliers must comply with human rights and labor rights, while considering social and environmental impacts. All IRC's suppliers must sign the agreement and acknowledge as such.

Cost Analysis

IRC procurement can be divided into 2 main categories; material procurement, for example, natural rubber, synthetic rubber, carbon black, etc; and general procurement, for example, manufacturing machine and service contractor, with the ratio of 54.77% to 45.23% respectively



Domestic Procurement

Domestic procurement can generate incomes for communities and Thai society to strengthen the economy and promote domestic employment. IRC has conducted domestic procurement up to 3,779 million bath or 86.98% of the total procurement. The percentage increases every year from product and service procurement, for example, production materials, service contracts, etc



CAC Encouragement for Suppliers

IRC openly promotes anti-corruption as a member of the Thailand's Private Sector Collective Action against Corruption (CAC) from the resolution of the Anti-Corruption Commission's meeting on June 30, 2020. Furthermore, IRC also invites all of its suppliers to take part in CAC in order to stand united and protect interests of this nation as we realize that Thai people can overcome the power of corruption. This further amplifies IRC's operations which prioritize all forms of anti-corruption.

Goals in 2021

In 2021, IRC aims to reduce procurement cost from 2020 and maintain raw material inventory at the controlled level which conforms to market price of commodities in each period. IRC also intends to improve supplier relationship management through more frequent information exchanges. Moreover, increasing delivery sites is also on the priority list in order to curb procurement risks.



Innovate
for Growth



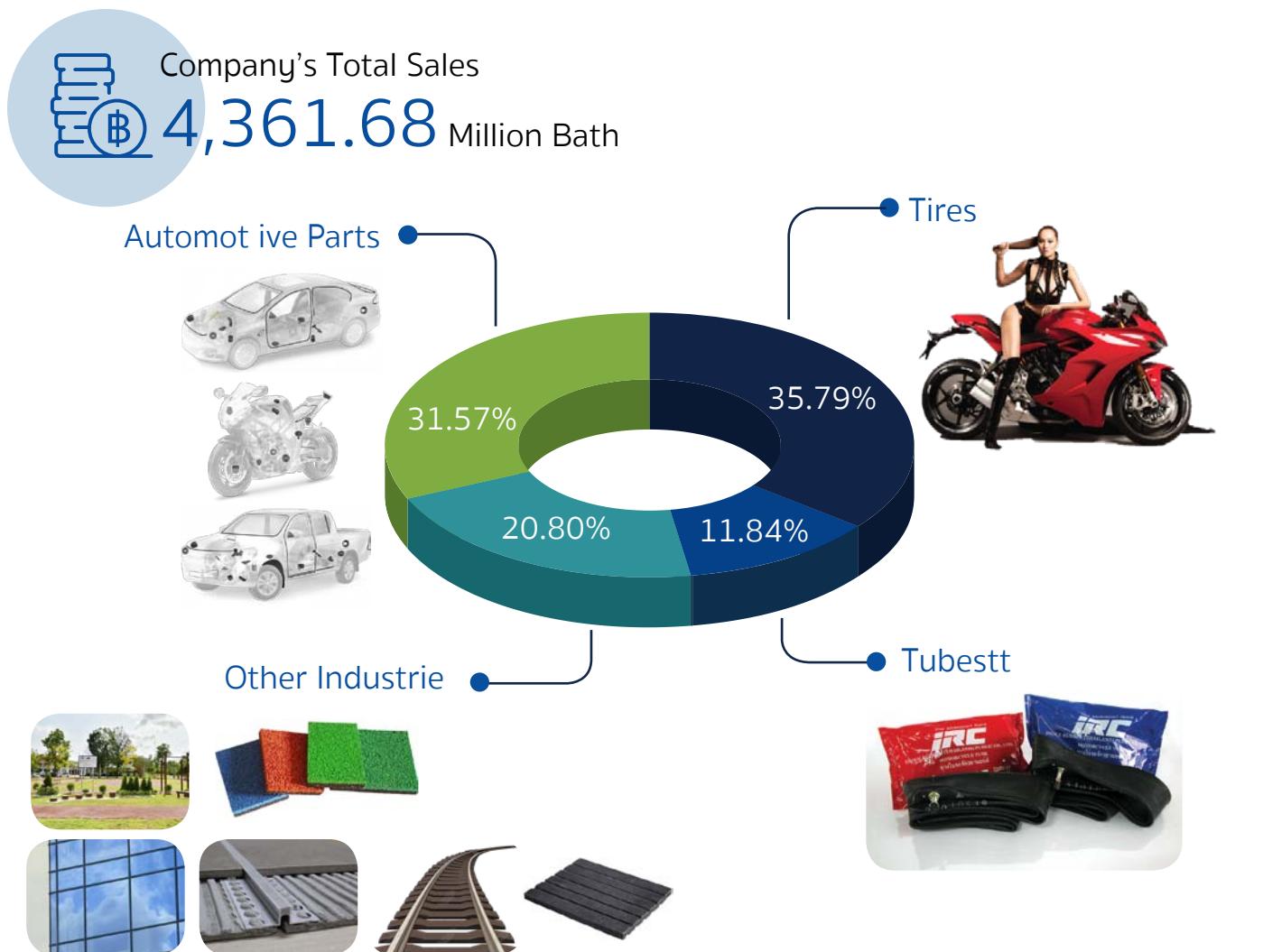
Economic Performance

IRC continues to manufacture and develop its products to ensure sustainable economic growth and employment opportunities among local communities by focusing on raw material selection and testing procedures, enhancement of production process and techniques and innovative products creation and development. This has allowed IRC to generate total revenue at 4,433.89 million Baht and net profit at 219.06 million Baht, with Earnings per Share of 1.12 Baht. Moreover, Return on Assets (ROA) and Return On Equity (ROE) are better than the automotive group in SET. Meanwhile, Debt to Equity ratio (D/E) is lower than automotive group in SET. From the overall performance, the Company continuously pays dividend to the shareholders and allocates fair and appropriate compensations among its directors, executives and employees, as well as provides profit sharing among the stakeholders through various projects.

Financial Reporting

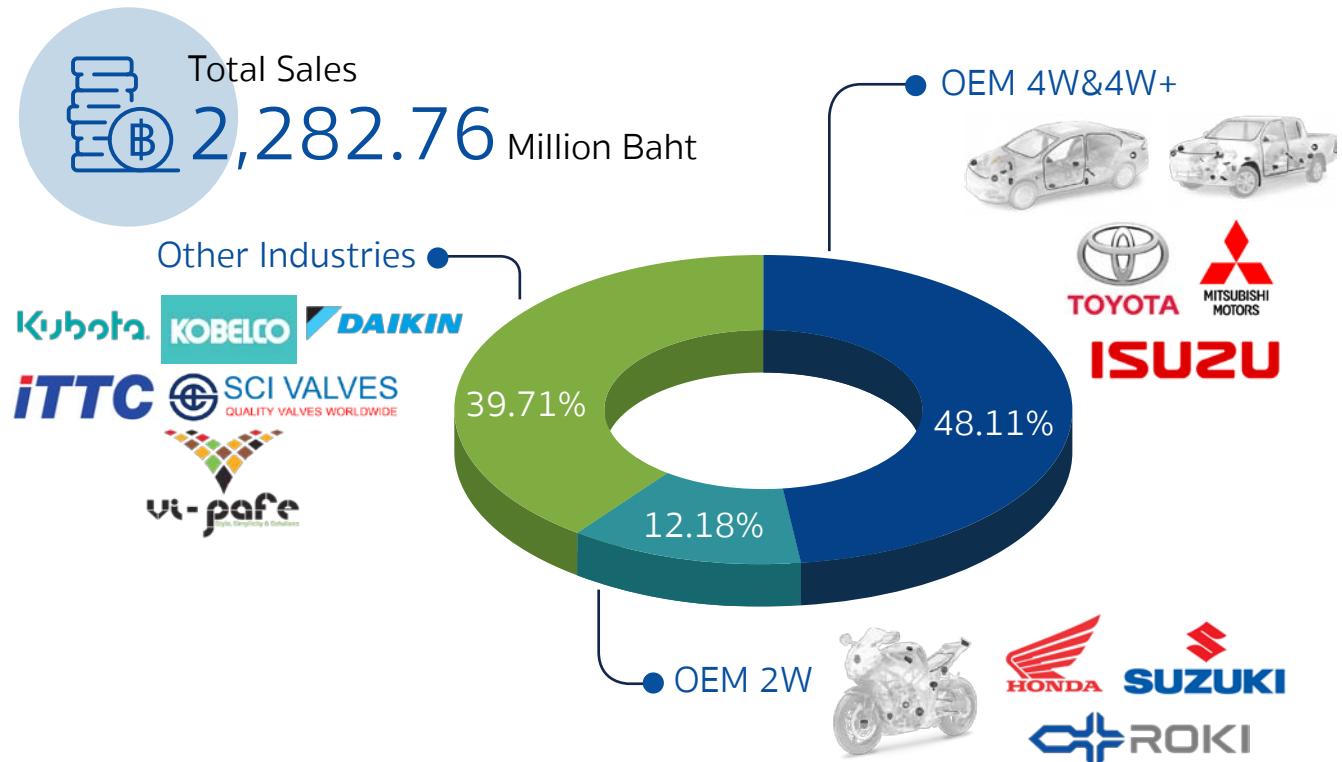
Throughout the past years, IRC managed to maintain its financial reporting standard by preparing its financial statements in accurate, transparent, reliable and verifiable manner and all of which have been independently audited and opinionated by certified auditors. In 2020, the Company has prepared Management Descriptions and Analysis (MD&A) and disclosed its quarterly and annual financial statements to the Stock Exchange of Thailand in order to publically notify and clarify its performance results among the shareholders and interested persons. At the same time, IRC has managed to uphold proper financial practice in analyzing the benefits and value for money that can be gained by the Company from making investments in machinery, production and numerous projects, including avoiding investing in businesses that are beyond its field expertise and trying to maintain sufficient capital flow for running normal operations in order to sustain the Company's credibility as well as the highest benefits of its shareholders.

IRC's products

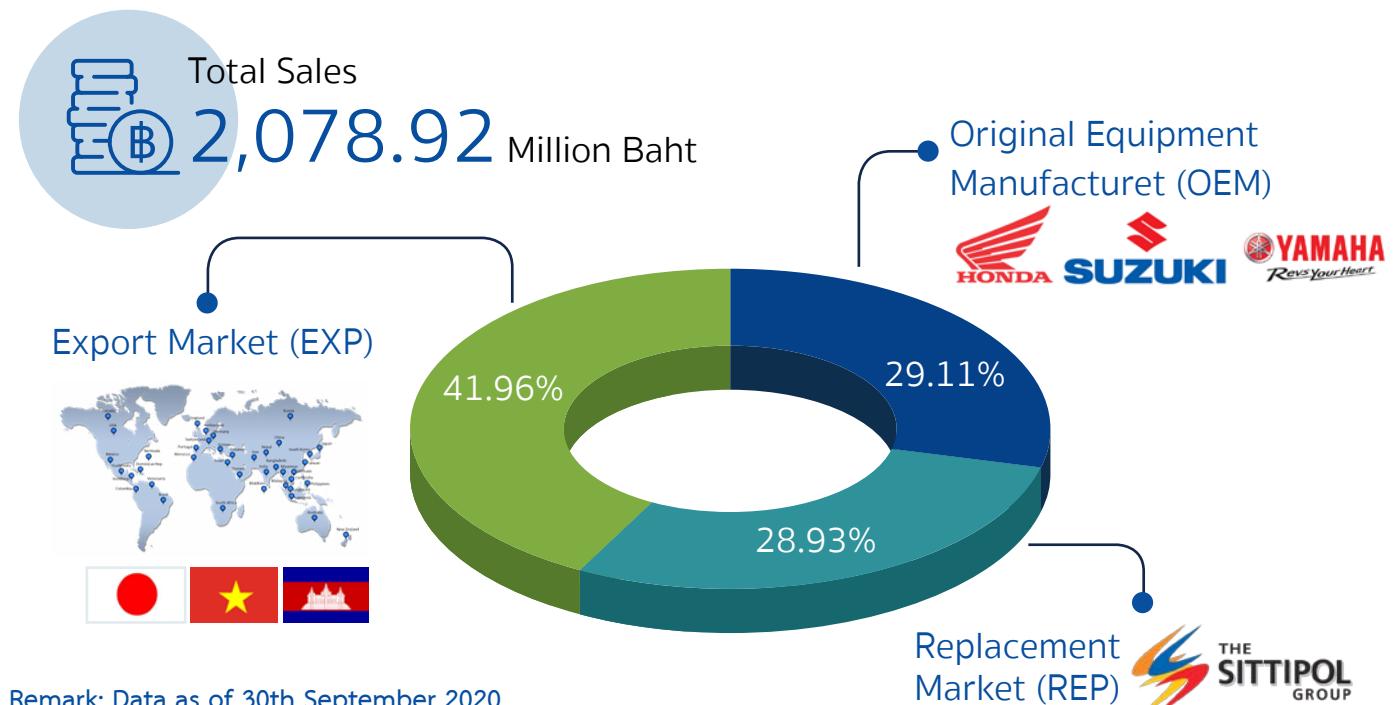


| | | | |
|---------------------------|----------------------------|-----------------------------|---|
| Company | IRC | Total Shareholders | 1,588 shareholders (as of 7th February 2020) |
| Abbreviation | | Total Employees | 1,402 persons (FY 2020) |
| Established | 15 December 1969 | Total Revenues | <ul style="list-style-type: none"> • 4,433.89 Million Baht (FY2020) • 5,481.27 Million Baht (FY 2019) |
| Listed in SET | 25 December 1994 | Total Net Profits | <ul style="list-style-type: none"> • 219.06 Million Baht (FY2020) • 166.54 Million Baht (FY 2019) |
| Registered Capital | 200 Million Baht (Paid up) | Number of Shares | |
| Number of Shares | | 200 Million Ordinary Shares | |

Distribution channel of Industrial Elastomer Parts



Distribution channel of Motorcycle Tires and Tubes Products



Remark: Data as of 30th September 2020

Product Innovation and Development

Commitment

Aside from strong production proficiency, research and development is considered as one of the strongest point of IRC. We not only target the growth of production for good quality product for the market, but also driving for new creative products and innovations in response to the needs of the customers, along with developing the production process into Smart Factory for confident, trust, and satisfactory of the customer both international and domestic. IRC persists to the work instruction, business conduct, and employee conduct. IRC aware of the importance of production process and formulation development, altogether with the conservation and protection of copyrights, patent, research information, marketing information, and customer information. The Company has fostered and built awareness of this matter to employees at all level for the sustainable growth and positive impact creation in a long run.

In 2020, IRC Asia Research (IAR) Co., Ltd., Wangnoi, has been awarded of Laboratory Accreditation as per the Standard Number TISI 17025-2561 (ISO/IEC 17025:2017), General Requirement for the Competence of Testing and Calibration Laboratories.

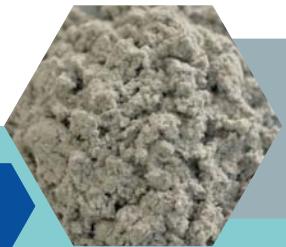
Management Approach

IRC Asia Research Company Limited (IAR), under the supporting of Thailand Board of Investment (BOI), along with Thai and Japanese experts have brought modern machines, tools, and software to enhance the research.

Additionally, the readiness in cooperation with the customers in product development is considered as another major factors in correspondence to the needs of the customers, leading to the development of product and innovation that could answer the demand genuinely. Moreover, there are a cooperation with government sector which resulted in a research that match the government's demand. So, IAR is considered as one of the driving force in the aspect of product and service development that enhance the Company's competitiveness sustainably.



Operational Results



Zinc Oxide

Zinc oxide is the basic stimulant required in compound rubber formulations, the research on zinc oxide states that zinc oxide can inhibit the growth of bacteria and microorganisms if taking excessive quantities, therefore, when these microorganisms are ingested with zinc oxide, it will enter into the larger organism's food chain, causing the aquatic ecosystem to be gradually destroyed.

The above data is the reason why we reduce the use of zinc oxide in compound rubber formulations, replaced by complex zinc oxide, it was found that the complex zinc oxide could be used with the same amount as zinc oxide, which can similarly stimulate the vulcanization of the tyres. In addition, the use of complex zinc oxide also contributes to better dispersion in the compound rubber and reduce ecological toxicity because of smaller amount to be used.

Eco – Carbon Black

To support the 3Rs policy: Reduce, Reuse, and Recycle. The Research and Development Department has studied "Eco-Carbon black" which is a product obtained from the recycling process of old tires taken through a special process until obtaining a filler with semi-reinforcing properties can be used to replace carbon black Which is a raw material in the production of rubber products.

It has been found that rubber products that have properties comparable to normal carbon black fillers, in order to reduce the use of raw materials from the petrochemical industry. It also reduces the amount of old tires that affect the environment and promoting sustainable recycling.

Cellulose Fiber

In addition, the research and development departments have also conducted studies strengthening of rubber with natural fibers (cellulose fiber), a fiber derived from cheap wood, has outstanding features of toughness, strength, durability and has a small density or light weight decompose naturally from natural sources, therefore, does not affect the environment and reduces the use of petroleum products.

IRC therefore researched and developed rubber formulas to use cellulose fiber to produce rubber products. From the experiment, it is found that the rubber products that have high strength and lighter than the use of high-styrene resin (HSR) derived from the petroleum group. In addition, the company also has 9 products listed on the innovation account that will be released to the market in the future.

Innovative products

1. VX-30

Pure Off Road Tyres for 250-400 cc Motorcross bike making drivers confident in driving conditions.

2. Vi-Pafe court flooring

The court ground consists of a layer of natural rubber granules mixed with a binder (1-3 mm rubber granule) and a polyurethane surface coating, there is a wide variety of colors to be selected for sports court floor, it supports the impact well, is easy to maintain, non-absorbable, and can be installed both inside and outside the building.

3. Vi-Pafe Multi-purpose court

Multipurpose flooring consists of a layer of natural rubber granules mixed with a binder (1-3 mm rubber granule), prevents heat from outside the building, and keeps the temperature Inside the building, well stands for the impact from walking, running or exercising activities, is environmental friendly, has no harmful contaminants in accordance with RoHS 2 requirements.

4. Flooring rubber sheet gives different contact from natural rubber for the visually impaired

Innovative rubber sheet gives different contact from natural rubber, with both embossed button pattern to alert carefulness, and long rod pattern conveying a safe walking direction to facilitate and increase travel safety for people with vision problems, the elderly and general public. The shape and dimensions of the product are designed according to the international standard ISO-23599, and registered with Thai Innovation Number 1010030.

5. Synthetic Rubber for Running Track Type B

Flooring for Running Track Type B is certified by TISI 2683 as a flooring for running track used for organizing domestic athletics competitions, the structure of rubber flooring consists of a layer of natural rubber granules mixed with binder (1-3 mm rubber granule), coated with a layer of polyurethane rubber, and sprinkled the surface with natural rubber granules mixed with synthetic rubber approved under TIS 2682 standard, resulting in a flexible surface, non-slip, additionally, there are many colors of rubber granules used to sprinkle for selection.

Innovation in Production Technology

Commitment

Many areas are improved and developed for business growth under the commitment to create innovations in both products and production processes, focusing on the improvement of production process for high productivity using low production resources through the transition from manual to automated systems, by applying the concept of “Lean Automation” System to build confidence in the quality and reasonable price of the product, to make both domestic and international customers utmost satisfied. In addition, IRC has organized a competition to present innovations within the organization, both in terms of Product Innovation and Process Innovation, the winner and runner-up groups will be provided of special award with study tour for creative works, inventions and innovations abroad to inspire them and allow them to open to new knowledge and apply the knowledge they have found, seen, and touched by themselves into new innovations in IRC.

In terms of applying the “Internet of Things: IoT” to analyze the production efficiency for cost reduction, the Company has installed the analysis program at the main machine, this will allow the executives and employees in relevant departments to know the production efficiency, loss points from initial monitoring, they will know about the loss time and use this data to solve problems in production process and to enhance the overall efficiency of the machine (OEE - Overall Equipment Effectiveness). After collecting results, improving and developing until satisfaction, the results will be expanded and further installation will be done in other machines.

In 2019, the Company has begun to use the Smart factory system in production, making it possible to use Big Data for further development in 2020 by generating data to support AI systems that will be used for production controls, such as blowing tires or using robots to transport workpieces in the manufacturing process (Mobile Robot), etc.

Management Approach

The expansion of an Automation System to become “Lean Automation System” and “Smart Factory” program to increase efficiency and reduce production costs. This has been supported by The Board of Investment of Thailand (BOI) and government agencies such as the Federation of Thai Industries, to achieve sustainable

development. In addition, the Activity Day and the First Innovation Day were held annually at Wangnoi site, where innovation contests were divided into 2 groups: Product Innovation, which is the development of new products; and Process Innovation, which is the development of innovation and machinery in the manufacturing process, to spark development and improvement of the product and production process

IRC has created projects for internal innovation in order for every employee to improve and develop competitive production process, for example, Quality Control Circle (QCC) and Kazen activities, including the annual Innovation Day



| Project for encouraging innovation within organization | | |
|--|--|------------------------|
| Tools/ Projects | Details | Employee Group |
| Quality Control Circle: QCC | Project for work-related improvement, encouraging the employee to demonstrate their performance, improve their proficiency, and learn through each other, creating self-esteem, teamwork, and good corporate culture in every employee of every level, for the best interest of the organization in terms of satisfying customer needs, cost reduction, and further performance efficiency enhancement | Whole Organization |
| Kaizen | The improvement of working process for cost reduction, efficiency enhancement, simple improvement of working environment of each individual | Whole Organization |
| Innovation Day | Innovation Project contest, including Process Innovation and Product Innovation, to encourage the employee to invent new innovation continuously. | Whole Organization |
| Automation | The innovation development for enhancing process efficacy and the Company's competitiveness potential which is continuously evolving. | Engineering Department |

Operational Results

In 2020, IRC has developed products and projects for the installation of in-line automation as well as a trial installation of Big Data and Smart Factory programs to analyze the overall performance of the machine, to improve production efficiency and product quality, and to reduce the waste from production process.





The innovation of production technology results from 2018-2020

| Projects name | Total Projects | | | Productivity Up (Baht) | | |
|------------------------------|----------------|------|------|------------------------|------------|------------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Quality Control Circle (QCC) | 160 | 65 | 137 | 7,624,617 | 1,179,213 | 7,855,513 |
| Kaizen | 516 | 755 | 950 | 17,764,485 | 8,274,154 | 13,910,083 |
| Innovation Day* | 8 | 5 | - | 3,600,480 | 7,701,204 | - |
| Automation | 26 | 28 | 31 | 53,631,520 | 63,852,000 | 21,851,424 |

Remark: * Innovation Day first held in 2018

In 2020, There were no Innovation Day held due to the situation of Covid-19 epidemic.

Awards and Achievement in Production Technology



Environmental Award 2019

The Company received Environmental Award 2019 from the Supplier Conference event that organized by Thai Honda Manufacturing Co., Ltd. on July 24, 2020. The Company was the Winner of Environmental aspect in the group of Thai Honda's suppliers by submitting the energy reduction project to the contest.



Supplier Quality Excellence Award 2019

The Company received Supplier Quality Excellence Award 2019 from General Motors (Thailand) Ltd. on June 24, 2020. The award is given to the automotive part supplier that has outstanding performance exceeding GM standards, present the best technology and manufacture the highest quality parts in the automotive industry.



The winner of FY2019: Loss Reduction Project GROUP B

The Company was the winner of FY2019 by submitting the project to the contest in Loss Reduction Project Group B from the Isuzu Supplier Group (ISG) of Isuzu Motor (Thailand) Co., Ltd. on July 24, 2020. This promotes the production efficiency management through the process of participation from each section that leads to the development of product and organization quality henceforward.



The Best in Quality Award 2019

The Company received the Best in Quality Award 2019 from Thai Suzuki Motor Co., Ltd.

Customer Relationship Management

Commitment

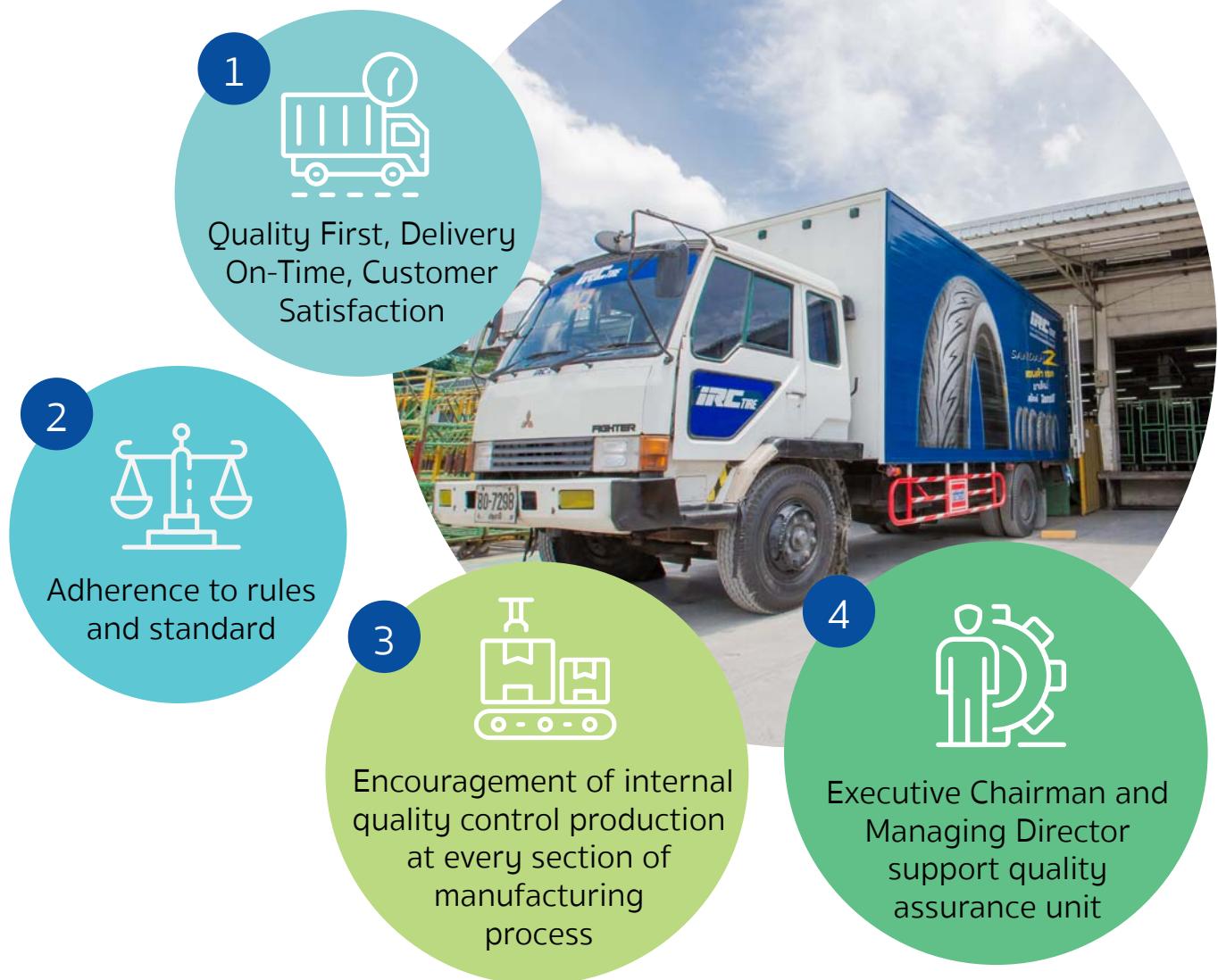
IRC places an emphasis on customer relations management as part of an effort to ensure sustainable operation. IRC focuses on the importance of clients and the value of products and services delivered to clients. In this, it is vital to ensure standard, punctuality and satisfaction as guided by the Company's quality policy.

'Quality First, Delivery On-Time, Customer Satisfaction'

IRC realizes and adheres to

'Quality Spirit'

as follows:



Reliable quality is one of the strategies in which IRC works to ensure customer confidence. It is so because IRC involves mass production in which time restriction is vital and B2B (business to business) requires working standard and quality product control. IRC, therefore, sees the importance and supports quality assurance unit very much.

Management Approach

As per the ‘Good Corporate Governance’ manual, IRC strictly ensures compliance to regulations and practical guidelines. The focus is placed on quality and punctual product delivery, including better than-expected products with fair conditions. The Company provides correct, adequate and timely information about products and service so that clients are equipped with information for making a decision. No exaggeration is given to advertisement and other communication methods as this may result in misunderstanding over quality, quantity and conditions of products or service. Likewise, another key matter is the confidentiality of customers. The Company does

not unlawfully use any information for own benefit or related parties. Moreover, the Company caters to the needs of customers rapidly and offers systems and channels in order for customers to effectively complain quality of products and services, survey clients’ satisfaction and conclude information for the purpose of analysis and quality revision and development.

The highest level of customer satisfaction in 4 dimensions of products and services is 1 out of the 7 policies under the vision and mission regulated by the Board of Directors and the Executives. The framework will propel the Company to the designated targets as listed below:

The highest level of customer satisfaction in 4 dimensions



Gearing Up for Stakeholders’ Participation

In the next year, IRC will still gain customer trust and will be increasingly selected to be the manufacturer of rubber parts for new models. What’s more, IRC involves joint product designs with customers both in Japan and Thailand as part of the Company’s design strength promotion as well. IRC has also developed the use of natural rubber for some parts to compensate synthetic rubber’s reliance and support the government’s policy to help rubber farmers.

Partaking customers across social agendas

This is for social benefit; e.g., joined the customer activity e.g. the 22nd Honda Eco Mileage Challenge activity, made a building donation to school in Kanchanaburi province and participated in customers’ charitable events that donated stuff to remote schools.



The identification of essential issues and concerns

RC has done research and prepared to support the manufacture of rubber parts for electric vehicles (EV car) in the future. As well, IRC executes new product innovation development to meet the needs of other booming industrial markets.

The Company has set a zero claim target and operated a follow-up report on claimed products on a monthly basis. Furthermore, the Company is certified by institutions such as ISO 9001: 2015, ISO 14001: 2015 and ISO/IEC 17025, and these build customers' trust. IRC has formulated the regulations on the restriction of hazardous substances 2: RoHS2 *, which came into effect in 2019. And the IRC now manages to fulfill the control standard.

As per quality criteria dictated by customers, our quality must be of exceptional quality. This guideline is amongst the highest satisfaction levels for customers in 4 dimensions (1. Price/Cost 2. Quality 3. Delivery 4. Service/Problem Solving) of products and services. This is also part of the policies regulated by the Board of Directors and the Executives, known as the 7 policies that will ensure the success of the established targets.

Customer's Voice

Customer's comments and suggestions are considered as very beneficial information. The Company has applied comments and suggestions to product development, services and the operations of the Company.

For this reason, the Company ensures convenient channels for complaints as follows:



Ragsit Site : Inoue Rubber (Thailand) Public Co., Ltd.

258 Soi Ragsit - Nakornnayok 49, Prachathipat, Thanyaburi, Pathhumthani 12130



Telephone: (66) 2 9960890



Wangnoi Site: Inoue Rubber (Thailand) Public Co., Ltd.

157 moo 5, Phaholyothin Rd. Lamsai, Wangnoi, Ayutthaya 13170



Telephone: (66) 35 214932-3



<http://www.ircthailand.com/th/contact/rangsit>

Performance

Customer Satisfaction Survey

IRC conducts customer satisfaction surveys on an annual basis in the 3 key categories: product quality, logistics and service. The survey can be classified into 5 chief items as shown below:

1. Satisfaction in quality level and product quality development.

2. Satisfaction in product.
3. Satisfaction in product design and product level as opposed to competitors.
4. Satisfaction in delivering products, punctuality, accurate product's amount and shipping documents, packaging standard and staff coordination.
5. Satisfaction in service and communication, completeness and accuracy of product order, coordination and after-sale service.



The Company is classified as excellent (100%)

Customer Satisfaction
for Rangsit Site (%)

84.22%

*Satisfaction assessment results in 2020

Customer Satisfaction
for Wangnoi Site (%)

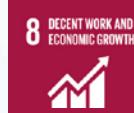
82.82%



Responsibility to Stakeholders

Social Responsibility of Business

| | | | |
|--|-------------|--|-----------------|
| Community Satisfaction | 91% | Roadshow Safe Ride (IRC Care) at | 3 Schools |
| The number of participants in the HAI – ARCHEEP HAI-CHEVIT project | 194 Persons | Safety signs were made in collaboration with the Highways Department | 19 Safety signs |
| Members of Khlong Pang Cooperative | 276 Members | Give the V-pafe rubber to | 3 public places |



Promote the development of the community's potentials to generate valuable employment for sustainable



Achieve proper environmental management and join activities that foster unity with the community, exchange comments and bring interesting issues to the community to evolve into the organization's strengths



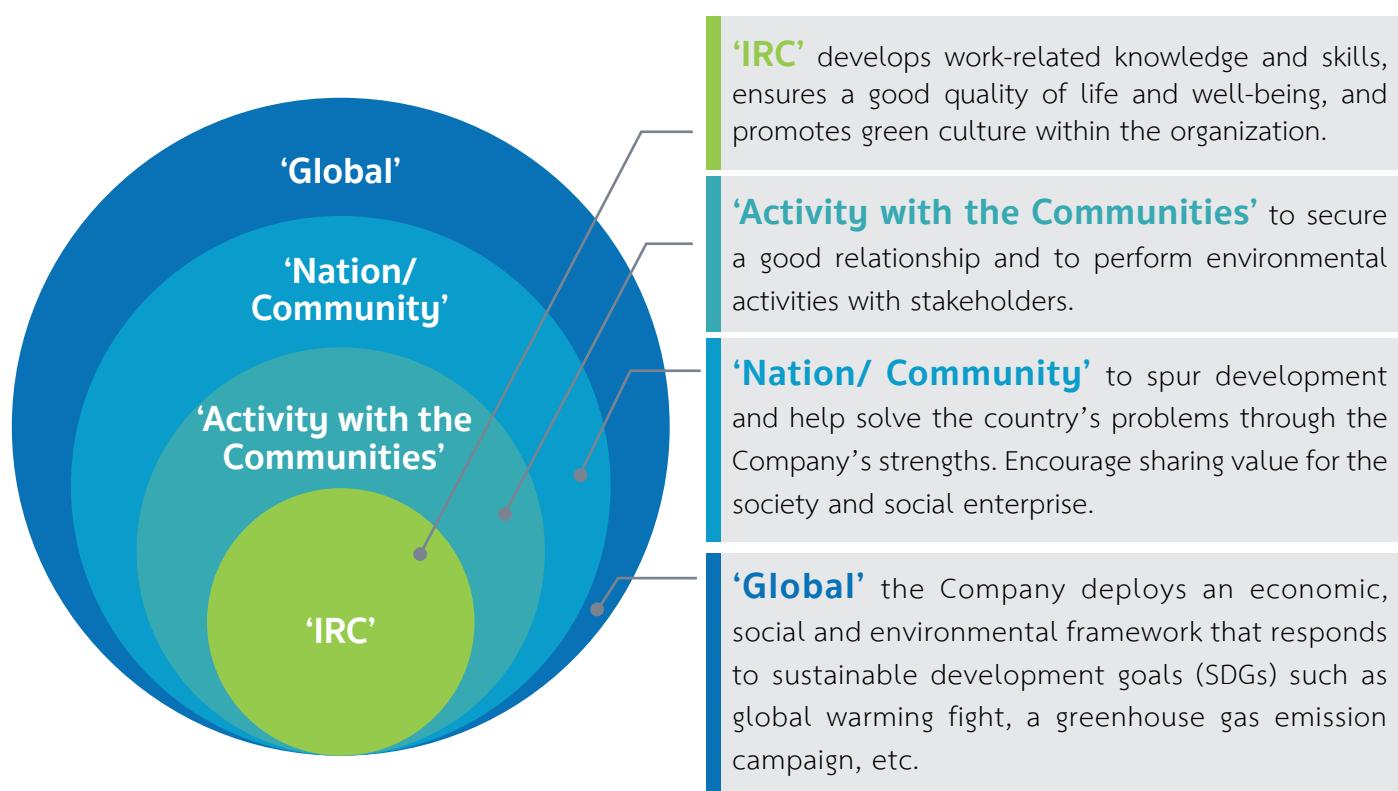
Social Importance

Throughout the value chain of the Company, there has been an attempt made to foster values in the social and environment dimensions through operations and community development activities. They are fulfilled to follow the Company's commitment which is "Maintain Sustainability and Promote a Creative Economy". The attempt to gain acceptance and social responsibility is deemed as a prime factor towards corporate sustainability and growth and sustainable profit expansion.

Management Approach

In 2020, IRC determined the goal and operated the CSR activities according to sustainable business strategy, and Social Responsibility and Environment Policy. IRC has focused on environmental responsibility and ecosystem conservation, and creating shared value between social and business together. IRC also developed social living by corporate social responsibility activities (Corporate Social Responsibility: CSR).

The Board of Director, Executive Committee, and Good Corporate Governance Social Responsibility Committee collaborated to determine the Company's CSR activities strategy as followed;



Performance

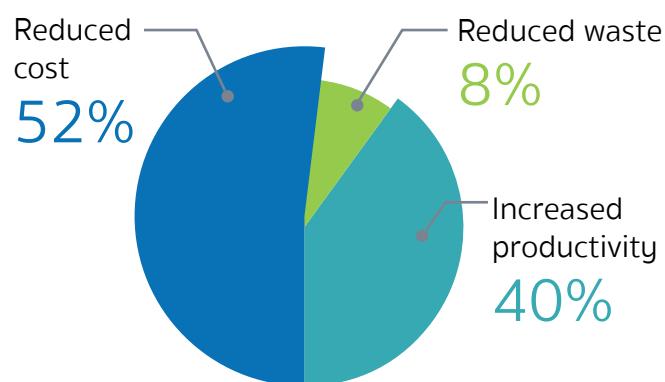
Social/Community

IRC has confidence in sustainability of happiness, that comes from sharing and living together within the community by operates business together with develops society. Evidently, IRC does not only develop within the company, but develop outside the company, Society and Community for the balance in growth and sustainability.

In 2020, we operate in many projects following the sustainability target, to respond the customer requirements, raise value for shareholders, as well as develop society and community. We consider problem issues of society, expectation/requirement of stakeholders, world changes trend, political situation, and disaster for creating framework that complies with commitment as showed by 8 projects as followed;

1. SUPPLY CHAIN DEVELOPMENT

Project aims to develop totally 15 companies who are subcontractors of rubber drying and suppliers of steel production (Maker) all 15 companies to apply new knowledge, understanding and methods to improve their efficiency of work process. In 2020, the results of SUPPLY CHAIN DEVELOPMENT project for the year 2019 was summarized and found that the manufacturer can reduce 1,280,000 baht of operating costs due to the reduction of waste cost, lower production cost and increased productivity (calculated by the expert from King Mongkut's University of Technology North Bangkok) as the proportion shown in the graph.



2021 Target: Operational efficiency is increased by 5% from 1.2 MB.

2021 Action Plan: Developing Competitiveness, use basic tools for operations, assessment and improvement based on the PDCA wheel.

2. HAI ARCHEEP – HAI CHEEVIT Project

From the intention to become a part to create Thai society, HAI ARCHEEP – HAI CHEEVIT then was created with the aim to train the female prisoners for starting the career after being acquitted so that they can earn their living and take care of their families without turning back to illegal activities.



'Create good people to society'

IRC, led by Mrs. Pimjai Leeissaranukul, the Chairman, organized the training session about the moral, good attitude in living and vocational training as well as provide the facilities for the female prisoner

development at the Klong 5 Women's Correctional Institution, Klong Ihuang, Pathumthani, to be skilled labor under the cooperation of the Department of Corrections for seven years consecutively.

In 2020, the Company provided the trainings on the basics of production, such as 5S, occupational safety, quality spirit, operating standards, to all professional training supervisors and inmates, to increase the capacity of inmates to possibly return to work and earn living and increase their chances to get a job required higher skill level, the trainings are consisted of both theoretical and on-the-job training. As at March 31, 2020, totally 71 inmates were trained in accordance with the procedures of the project, the Company also supported activities useful for inmates and also built the morale and encourage female prison officers and inmates who are working at Plant 6 to love their current works.

2021 Target: the total number of trained trainees is 6 prisons officers and 12 inmates.

2021 Action Plan: Organize training courses on the "Give Career Give Life" Project for inmates to learn how to work in practice and work theory on safety, 5S, quality awareness, work instruction, and Kaizen, along with learning moral principle to have sense of right or wrong, sense of shame and shame of sins as the principle to remind their minds, so that they will be released and be a qualified personnel who will not commit offenses any more.

3. KLONG PANG MODEL (Klong Pang Cooperative at Trang province)

IRC has developed ISO 9001 system for smoked rubber sheet production to meet international standards and reduce the variability of smoked rubber sheet properties, and be traceable in accordance with the international standard ISO 9001. The said project began in 2016 and has always performed well to maintain the system. From the operational result in 2020, the Company kicked off the "Sustainable Rubber Plantation According to PEFC International Standard" Project on 3 March 2020 at Ratsada District Office, Trang Province, this project is supported by Rubber Authority of Thailand and the Federation of Thai Industries, it promotes the preservation of a sustainable environment and enhances the potential of competitive exports.

Kicked off the “Sustainable Rubber Plantation According to PEFC International Standard” Project



In addition, the Company also encouraged representatives from Klong Pang to participate in the Sustainable Forest Management Program (TISI 14061) to apply the knowledge into the design of a sustainable forest management plan for the Khlong Pang Rubber Plantation Cooperative. Presently, this Cooperative have 225 members, and based on the latex source inspection system development plan according to ISO standard, it was found that the source of latex can be traceable 90% as preset by the target.

The atmosphere of training to promote the certification of rubber plantation according to TISI.14061



2021 Target: 1. The source of latex can be traceable >50%; 2. Number of cooperative members > 225 people.

2021 Action Plan: 1. Follow up the ISO 9001 system; 2. Enhance the efficiency of latex production; 3. Develop a system to monitor latex from production sources; 4. Support the forest management in accordance with FSC (Forest Management Certification) standard; 5. Support the production of guiding pillars to directly sell to the Department of Rural Roads in order to add values to the products and for sustainability.

4. SAFE RIDE (IRC CARE)

Project enhances the knowledge and understanding in traffic laws and the safe use of motorcycles, as well as preliminary inspection and maintenance of motorcycles for youth in schools in 4 regions across Thailand. In 2020, the Company went to educate youth in all 3 provinces, decreasing from original target of 8 provinces due to the outbreak of COVID-19, the Company has to follow the measure of social distancing and refrain from activities. Therefore, activities are organized in following 5 provinces only:



2021 Target: Participate in youth educational programs in 4 provinces.

2021 Action Plan: Impart knowledge surrounding traffic laws, safe motorcycle ride and vehicle checking and basic motorcycle maintenance for teenagers across schools.

5. Safety Driving Campaign during Long Holiday Project

It is the project to promote safe driving during New Year and Songkran festivals, we established a car rest place for convenience and service to people in collaboration with Ayutthaya Provincial Government, and provided drinking water to drivers who travelled through Wang Noi Highway and supported food and beverage for officers at public service point. In 2020, the Company organized a campaign for safe driving during New Year festival at the city hall of Ayutthaya province, under the cooperation with the Disaster Prevention and Mitigation Center, Ayutthaya Province, and the Highway Police. We also posted signs to promote safe driving, provided drinking water to travellers, and due to the outbreak of COVID-19, government agencies canceled activities during Songkran Festival in April 2020, the Company still supports the STAY HOME, STAY SAFE campaign banner for the Highway Police, Phra Nakhon Si Ayutthaya Province.



2021 Target: participate in Safe Drive in Festival Periods Project twice a year

2021 Action Plan: promote safe driving during New Year and Songkran festivals during 7 dangerous days.

6. ENVIRONMENT

The ENVIRONMENT Project promotes the environmental management, aiming for green industry, Level 4; green culture is everyone in the organization jointly raises awareness of good environment preservation and maintenance and cooperates in all business operations

to be environmentally friendly and carry out various actions until it becomes part of corporate culture. Based on the criteria of the Ministry of Industry, in 2020, the Company has applied for the certification of green industry, Level 4 to the Department of Industrial Works and also installed solar panels with an area of 3,048 square meters on the rooftop of Tire 2 Production Building, which generates a maximum of 600 kWp.



2021 Target:

1. Reduction of GHG emission by 2.5% compared to 2020
2. Reduction of electricity energy by 1% compared to 2020
3. Certification: Green Industry Level 4
4. Received 3Rs Awards
5. Received Carbon Footprint for Organization award (CFO)

2021 Action Plan:

1. The investment project to save energy and reduce greenhouse gas emission as well as carbon footprint
2. Promote Carbon Footprint management system to certify the Carbon Footprint for Organization: CFO
3. Promote Green Industry system to motivate Environmental awareness
4. Promote 3Rs system and reduce waste to Landfill
5. Organize environmental training

7. Activity with communities

This activity is charity and merit making on important occasions and religious holidays such as donating money and items to governmental agencies, schools, temples and surrounding communities, including merit making activities.



Giving 2020 New Year gifts to communities surrounding both Rangsit and Wang Noi plants, and giving souvenirs to government agencies (valued not over 3,000 baht).



Supporting gifts of 2020 Children's Day for communities, schools and 6 government agencies.



Donating used computers to the Association of Persons with Physical Disabilities International, and Suan Kaeo Temple.





of the National Assembly, presided over the ceremony of delivering Vi-Pafe rubber flooring for the flooring of multipurpose sports yard and delivered by Mrs. Pimjai Leeissaranukul, Chief Executive Officer and the Board of Directors including executives on behalf of IRC.

At Ratsada District Office, Trang Province



2021 Target: obtain community satisfaction for more than 70%,

2021 Action Plan: Promote activities to build good relationships with communities

8. IRC's 50th Anniversary Project

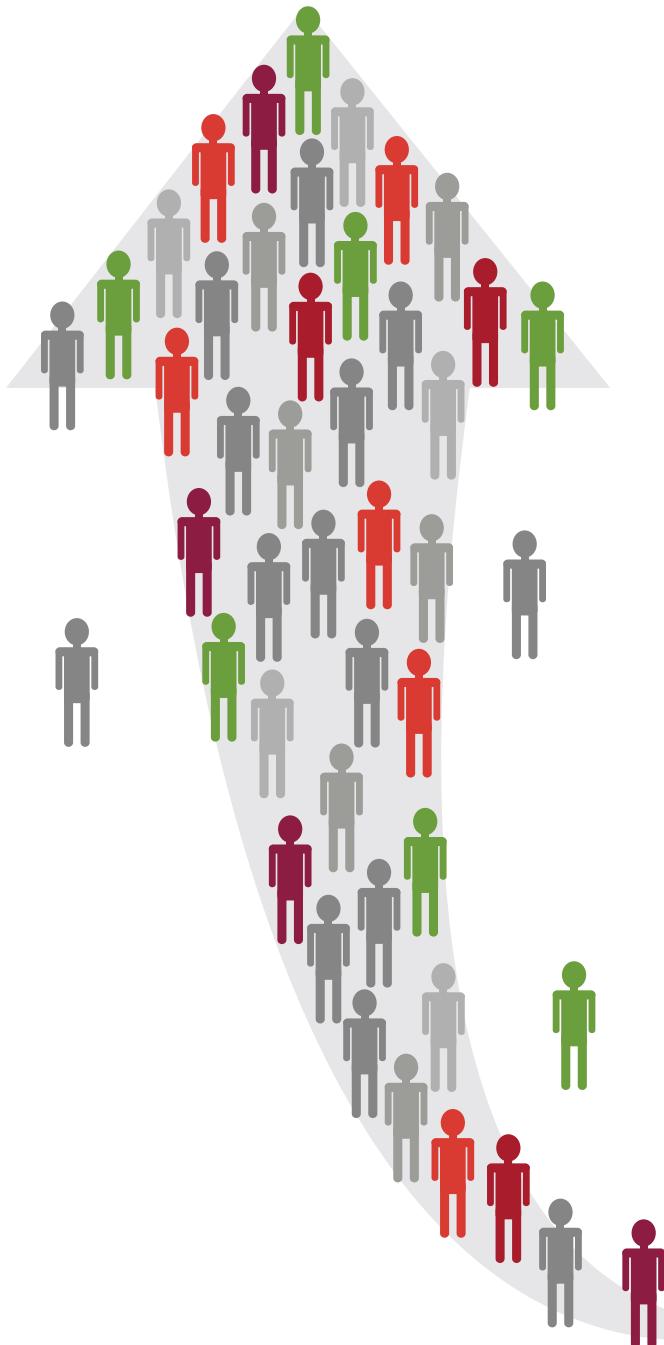
Inoue Rubber (Thailand) Plc. or IRC was established in December 1969 as a collaboration between Leeissaranukul Family, Thai automotive experts and Inoue Rubber Co., Ltd., a Japanese leading motorcycle tires-tubes manufacturer. Both experts have been working together to create world-class products well until completing 50th Anniversary, we aim to become a sustainably growing organization realizing the balance of economy, society and environment under the Company's Vision and Mission.

In 2020, the Company has organized the activity to give back to society with the "50 Years, 50 Vi-pafe Yards Project, under the objective to provide the yard with Vi-Pafe rubber flooring to 50 public areas, starting the first yard in Trang Province, H.E. Mr. Chuan Leekpai, President

IRC also celebrated a 50th Anniversary event with the launch of new IRC tire "IZ-Ss Scooter Sport S99T", a 125-300 cc tires for an automatic motorcycle, at Motor Sport Park Suwannabhum, attended by the Company's executives, business partners, motorcycle clubs and media.

2021 Target: 12 yards for public places

2021 Action Plan: Provide Vi-Pafe rubber flooring to 12 public places.



Employee Responsibility



Reskill – Upskill
10 projects



Average hours
of training per year
26.91 hr./person



Numbers of Employees
Joining the Safety day (%)
43.50%



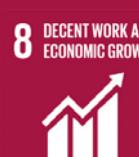
3 GOOD HEALTH AND WELL-BEING
Good healthy is the foundation of happy work. IRC promotes work safety and prevent injury to reduce losses. IRC also promotes good health through exercises and suitable exercise locations.



4 QUALITY EDUCATION
Creating opportunities for human resource development to fulfill skill-related targets at all levels. This is one of IRC's missions of skill overhauling, ability to developmental work and the lives of workforce.



5 GENDER EQUALITY
IRC has a policy to treat all employees equally and avoid discrimination against any gender. The employee of the IRC is diverse.



8 DECENT WORK AND ECONOMIC GROWTH
IRC promotes valuable employment in proper positions and respecting human rights principles.

Commitment

The Company ensures equal employee treatment and is resolute to laying a firm foundation by reinforcing IRC DNA as listed below



This is based on "**Responsibility to Stakeholder**" which covers all IRC members in the following 4 aspects

1. Joining as IRC members

At IRC, we ensure that every employee shall undergo through fair and transparent recruitment. The qualification procedures base on good governance principles and business ethics regardless of their

nationality, religion, gender, age or even physical disability. Each employee shall be considered based on their qualifications, knowledge and capabilities together with their skills and work experience that are relevant to the position applied, including their potential to be further developed alongside with the organizational growth

Management Approach

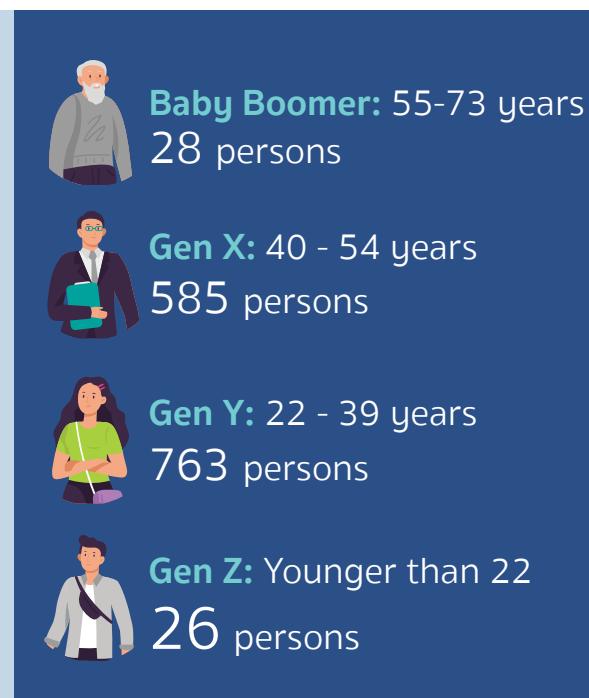
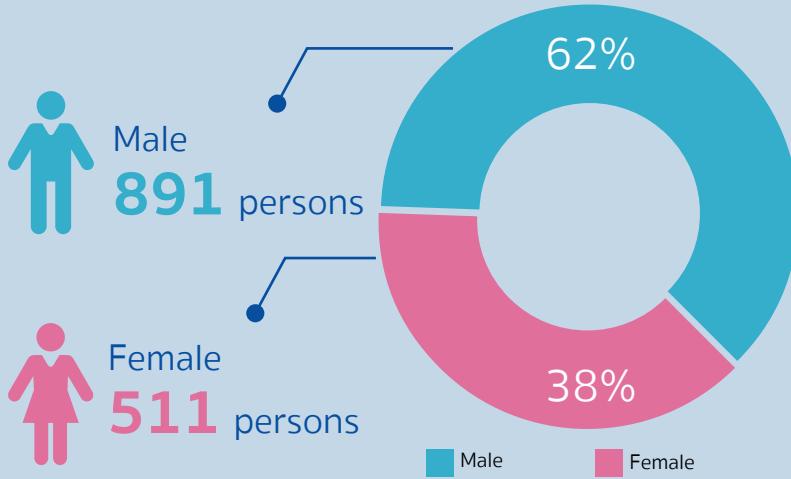
Smile & Smart Employee

Employees are treated fairly and equally and with respect according to basic human rights required by laws and regulations during recruitment, performance evaluation or personnel development process.

Moreover, training skill and knowledge are necessary in each position to improve suitably in performance and push forward creativity in career path. Thus, activities, training, seminar, and outside visiting from inside and outside experts are required.

IRC has also defined operational policy and self-conduct and reaction to colleagues in its Code of Conduct and continuously provided in-house and off-house personnel trainings. The Company also recognizes the importance of maintaining proper occupational health and safety of life and property and proper working conditions for its employees by providing appropriate welfares such as hygienic and standardized cafeteria and medical service to ensure that all IRC employees are appropriately treated according to the specified policy and are working harmoniously together (Happy Workplace).

The proportion of employee number in 2020 (as gender)



As of 30th September 2020

The Company and its subsidiaries have 1,402 employees

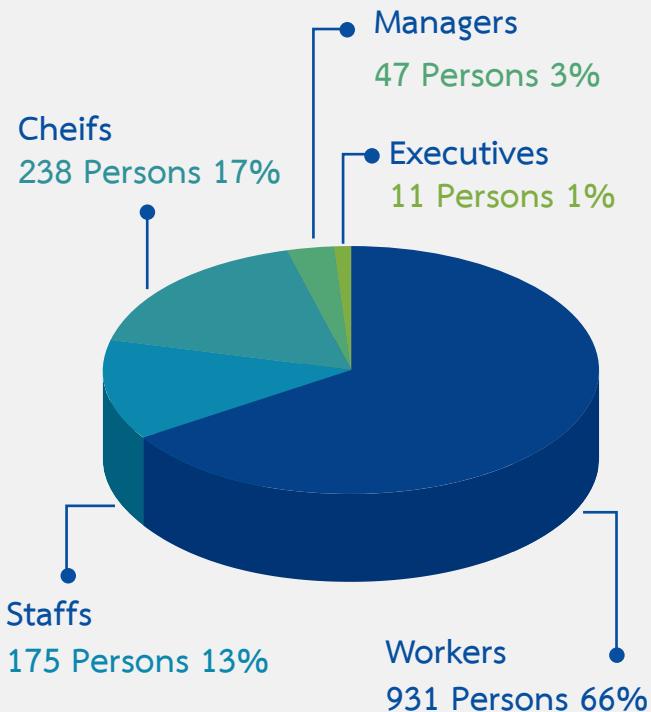
Male 891 persons, 62%

Female 511 persons, 38%

Number of IRC employees by business line is as follows;

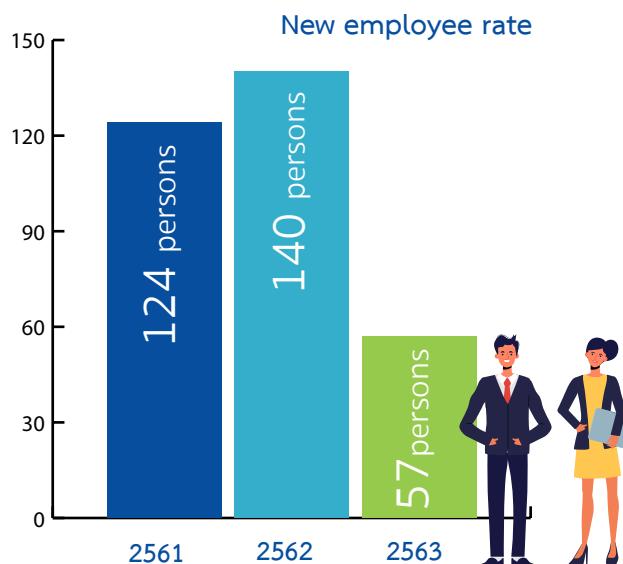
| Business Unit | Total |
|--|-------|
| Administrative and Control Unit | 124 |
| Motorcycle Tires and Tubes | 600 |
| Industrial Elastomer Parts | 534 |
| IRC (Asia) Research Company Limited | 122 |
| Kinno Hoshi Engineering Company Limite | 22 |

Employee proportion of 2020 (person) divided by employee level



Performance

From the policy under the vision and mission that stated “Be the Leading Company in Innovation Development and the Smart Factory...”, the Company recruit’s new generation employee from the new generation to join in various unit such as Production unit and Support unit, in order to enhance the production to be more modern and to deliver the highest quality products to customers.



2021 Target of IRC members

The Company has set targets in recruiting and selecting personnel both from inside and outside the organization to enhance the corporate capability in the development of innovations and smart factory, the Company determines manpower rates of all departments to be appropriate and consistent with the integrated operational plans of all departments in terms of capabilities and behaviors consistent with the core values of the organization. Along with targeting new generation of employees with appropriate qualifications or experiences and high potential that can be further developed, the Company also builds internal personnel competence to enhance the potential of personnel by profession.

2021 Plan

From 2021 Target, the Company has made a human resource recruitment plan in 2021, focusing on enhancing the recruitment of both quantitative and qualitative personnel to obtain suitable and sufficient personnel to drive the organization.

The quantitative recruitment of personnel is carried out by dividing the recruitment into two main groups: technical staff and executive staff, with following recruiting guidelines:



1. Technicians: The Company uses a human resource procurement plan by ensuring the readiness in collaboration with staff development agencies in the Automotive Industry and Automobile Spare Parts or AHRDA. IRC has also established agreements with vocational institutions at high certificate level to recruit students to work at the Company for wider professional skills. In addition, they can become an employee in the future.



2. Executives: The Company still focuses on targets such as the new generation who can exhibit the potentials of the development of superior working processes to manage and achieve the expected objectives in each department. IRC has a mutual campaign and development plan with frontrunning universities in the production process-related automation.

Qualitative Personnel Recruitment, the company focuses on recruiting and selecting personnel who are competent in accordance with the job position and behave in accordance with the core values of the organization. It is carried out through the creation of a selection assessment system and assess the ability and behavior of the experimenter to ensure that the candidates who joining the organization has the potential to drive the organization to achieve its goals.

2. IRC Employee Compensation and Benefits

Management Approach

As means to motivate and reward our employees, IRC therefore develops fair compensation and benefits schemes for its employees at every level by surveying and comparing with the labor market and putting into account the impacts of dynamically changing living conditions. What's more, IRC employees shall be entitled to receive special compensations based on organizational performance both in short and long terms and shall be given generous opportunities and even encouraged to gain promotions and competency development based on current positions and responsibilities

In addition, IRC values the staff's mental health care. Therefore, a department has been introduced to render some advice to all staff members. This serves as a channel for listening to problems or discussing, share perspective and understanding in many areas to a higher extent. It is a room for consulting and listening for concerns. Besides, HR CLINIC for personnel care and services aims to stave off problems across types that may affect the quality of life of employees in the future.

Performance

Labor Rights

IRC therefore encourages our employees to form 'LaborUnion', which is a group legally established to represent the overall employees in overseeing the employment conditions as well as employee benefits and welfares and at the same time collaborate with the Company in providing good and healthy working conditions through holding regular consultancy meetings between the executives and the Labor Union. The Company has also appointed Employees Committee to act as employee representative and of which its members consist of directors appointed by the Labor Union and election to consult with representatives who are senior management in ensuring that appropriate welfare and benefits are provided to IRC employees.

Monetary Welfare

Apart from the benefits which all employees are directly entitled to, IRC also cares for the family members of its employees by providing monetary benefits for various occasions such as the death of father, mother, spouse or children of the employees, including maternity and marriage allowances.

In FY2020, IRC and its subsidiaries paid employee compensations in a form of salary, bonus, provident fund, social security and other employee welfares totaling 723.07 million baht. The details of IRC employee benefits are described as follows:

- Provident Fund Program under which the employees are allowed to make their own savings plan. The savings rate and money contributed by the employer shall start from 3-6% and continually increase according to the employment period specified by the Company.
- Medical allowance for employees, including spouse and children.
- Death, maternity and marriage allowances to aid employees and their families.
- Life insurance

Healthcare Welfare

IRC recognizes the importance of having good physical and mental health and have therefore arranged the following health-related welfares including:



Gym and fitness center



Annual health check



Sport Day activity



Clean and hygienic cafeteria that serves foods at affordable price



Health and Medical Center with specialized physicians to give medical service and advice to employees



Corporate Social Responsibility activity by repaired bridge at Laem Phak Bia of the Royal Development Project

Other Employee Welfares

- IRC offers uniforms and safety shoes for staff every year
- Transportation service
- Recreational and Internet Centers
- Special privilege in buying IRC products
- Special activities such as Thank you party/ New Year party



The Company's support to employees during the outbreak of COVID-19

The Company cares for the hygiene of employees and their families by introducing measures to prevent and control the outbreak of COVID-19 in the organization, as well as sufficiently providing relevant equipment such as fabric masks, or alcohol gels to employees, the happiness sharing cabinets were also placed inside the Company in order that the employees can share food/things to each other. In addition, if employees are quarantines, the Company provided wages throughout the quarantine period, including confirmed cases.

However, if the Company has to lay off or reduce the salary/welfare of employees, the Company will proceed in compliance with and in accordance with the law specified.

Target of Benefits for IRC People in 2021

IRC emphasizes personnel along with promoting activities and taking care of good welfare all the time, for 2021 Target, the Company focuses on the importance of supervising, advising and listening to employees about work and life to create happiness in living together in IRC society

2021 Plan

The Company focuses on creating the inclusion and

engagement of personnel to the organization (Employees Engagement) so that they can feel a part of organization. The Company cares employees well through many projects such as:

1. Add channels to listen to and discuss problems. Through the service of HR CLINIC Room in Head Office area and Wang Noi Plant as another channel for listening the problems or consultation to increase the perspectives and understanding of many areas. Therefore, we provided a corner of consultation and listening to employees about their problems or HR CLINIC for taking care and serving personnel.
2. Allocate monetary and non-monetary compensation and welfares to employees.
3. Build a collaborative environment through various activities.

3 Development and Moving Forward Together

Management Approach

IRC therefore focuses on personnel development while continuously moving its business forward. As part of its core missions, IRC aims not only at developing the knowledge and skills of its employees but also their attributes to ensure that every IRC employee possess the behavior and attitude that are in line with the established organizational culture. To achieve this, the Company therefore organizes employee orientation training so that new comers can gain direct learning experience from Productivity Training and Education Center covering major aspects of the organization such as employee safety which is part of the Company's top priorities. Hence, all new comers must learn safety practices through simulation and are required to recognize and understand basic operational functions of relevant machinery and equipment and at the same time avoid all potential occupational hazards. In addition, Human Resource Department shall conduct On-the-Job Training in order to assess operational readiness of newcomers in performing production work, including their performance efficiency and adaptability towards the organization.

The benefits to the organization include human resource development. This magnifies productivity and lessens costs because higher workforce skills lead to lower human errors. As such, human development is essential to helping the organization acquire prosperity and

proudly compete with other businesses.

The benefits to the organization include human resource development. This magnifies productivity and lessens costs because higher workforce skills lead to lower human errors. As such, human development is essential to helping the organization acquire prosperity and proudly compete with other businesses.

Performance

As for employee potential promotion, IRC offers training courses to refresh knowledge and work skills twice a year, to ensure that employees at all levels are knowledgeable, capable and consistent with working standards. Other offers include the Individual Development Plan by looking into the strengths and weaknesses of staff. It deals with the functional competency by own and supervisors to identify areas of improvements and development. This process enables employees to get to the point when developing themselves and more obviously see changes in behavior after the sessions. The data obtained through the analysis will be used to select additional training courses for individual development. It is offered as an in-house training program with the focus on the basic course of work and promotion. Also, off-house trainings center on the development of potential in specific titles. As for on-the-job training, trainers lead a close coaching program from the first day until a probation is completed. IRC also observes skilled employees and on-site performance and ensures that employees possess skills as specified in accordance with the requirements of the international standard quality system (ISO 9001: 2015).

In-House Training



Off-House Training



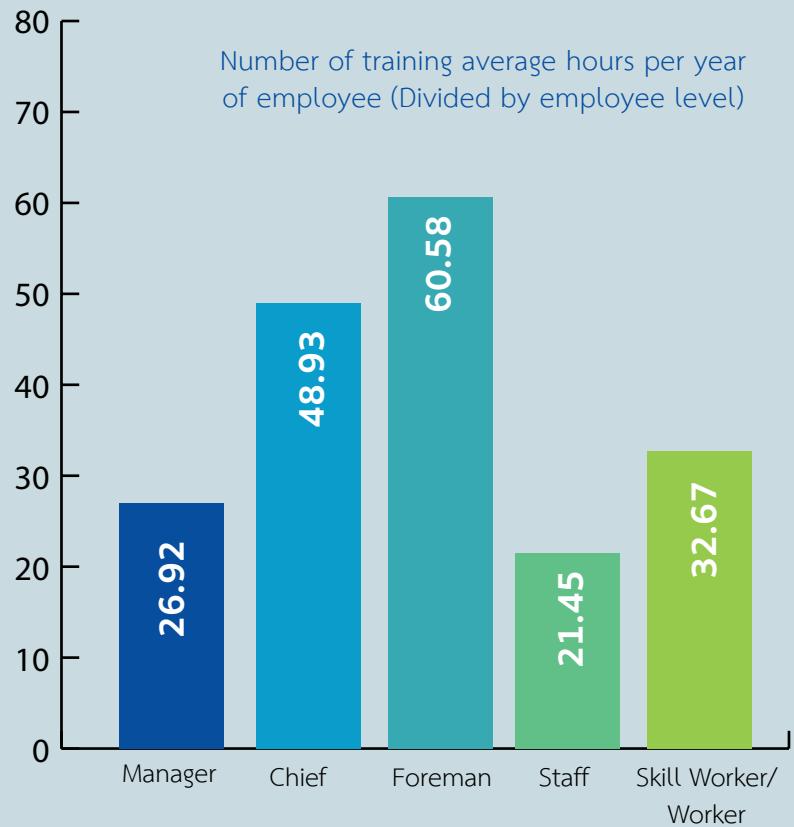
On The Job Training



Domestic Training Project

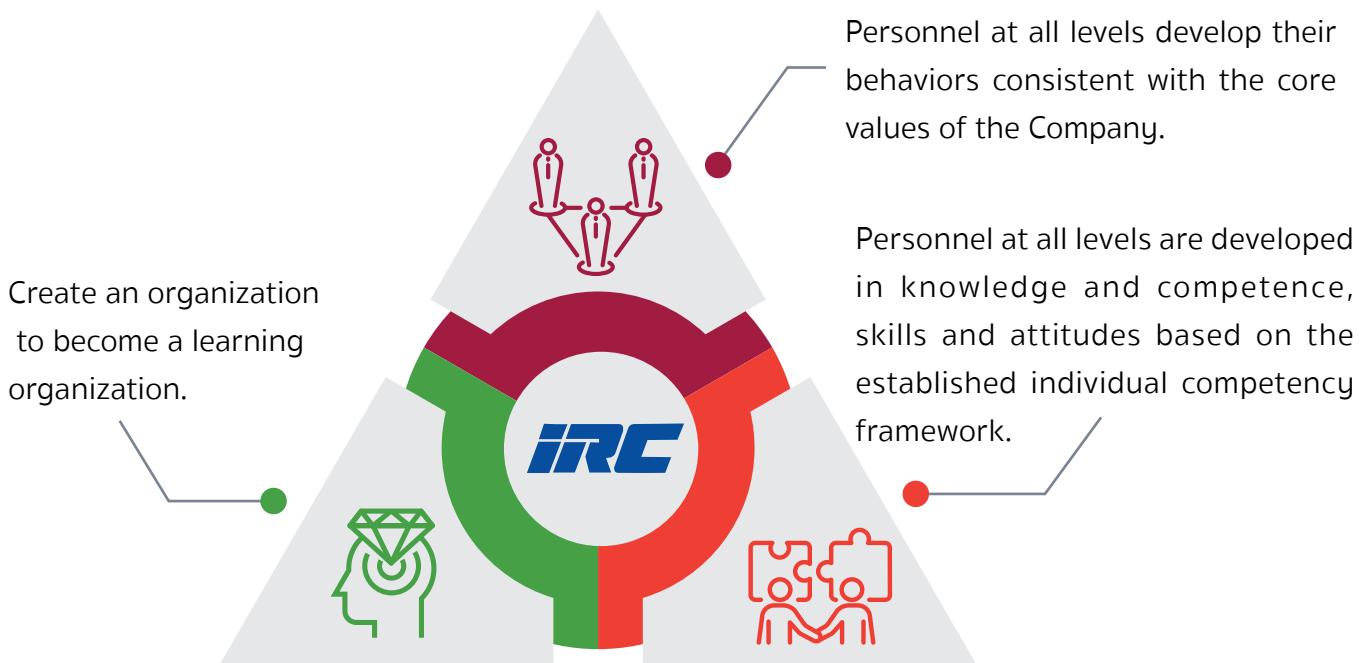


In 2020, approximately **99%** of IRC employees received trainings with total average training hours/ persons/ years equaling to **26.91** hours.



2021 Human Resource Development Target

The Company will focus on the development of personnel to have work potentials together with the development of desirable behaviors according to the core values of organization for supporting the mission of empowering personnel at all levels with following targets:



The employees must change their behaviors after being developed and can apply their knowledge from the development process to effectively work by achieving the target of their own functions and organization.

2021 Human Resource Development Plan

1. Personnel development based on competency framework

The competency framework will be determined for personnel at all levels, by setting individual learning path and linking the competency framework to human resource management in all areas, from recruitment and selection processes, development and evaluation of personnel performance in the organization, including the career development and successor planning.

2. Personnel development based on skill system framework

Skill system framework will be set to develop personnel to have higher level of knowledge and ability and/or various skills by classifying tasks into smaller tasks and setting criteria for each level of measurement. This is to ensure that the operating personnel can efficiently perform their work in accordance with the established standards.

3. Development of leadership roles for supervisors to strengthen

the capacity of their own on-site management, which will continuously increase the productivity of the production process.

4. Development of various learning approaches

The learning framework will be established through a variety of development methods, consisting of internal training, external training, self-learning, coaching, on-the-job training and project assignments in order that the personnel will be thoroughly developed and the constraints such as time, place, etc., are solved.



5. Personnel development of production skills and automated production systems / smart factories

5.1 Promote skills of production and automated / intelligent production systems by developing a learning center for manufacturing processes to be up to date and in line with current production technology.

5.2 Human resource development through activities such as Innovation, QCC, Kaizen, in order to create employee engagement in creating innovations and always improve their performance.

6. Cultivate desirable behaviors based on corporate core values

through human resource management process, from recruiting and selection system, performance evaluation and development, including activities



7. Development Measurements and Evaluation

Design approaches for measuring and evaluating training results to measure results up to the desirable level to meet the main target of department and organization.

8. Knowledge Management

Manage and administer organizational knowledge within the individual by developing trainer in production process and create a platform for exchanging knowledge and experiences to each other through Community of Practice Activity.

Other activities for the employee

Charity

Apart from creating happy working environments for our employees, IRC also passes on happiness to the overall society through the following activities.

Charity and merit making on important occasions and religious holidays such as donating money and items to governmental agencies, schools, temples and surrounding communities, including merit making activities.



Drugs Understanding Activity

IRC held activities for the employee to understand more about drugs and its consequences for doing or keeping it, in order to be the “White Industry”. Moreover, IRC has received certification in the Standard on Prevention and Solution to Drug Problems in an Establishment from the Pathum Thani Province.



4. Occupational Health and Safety Performance

Commitment

With determination to carry out its business by upholding employee safety as part of its top priorities, IRC has therefore appointed Occupational Health, Safety and Environment Committee (HSE Committee) in compliance with Ministerial Regulation on the prescribing of standard for administration and management of occupational safety, health and environment B.E. 2549 (2006), including defining occupational health, safety and environment policy to be used as guideline of practice concerning employee welfare, safety and working environment. The Company also promotes maintenance of good health as well as provides safe workplace environment and prevents potential hazards that may occur by educating its employees on how to cooperate with safety units of the Company through safety trainings.

Management Approach

IRC Occupational Health, Safety and Environment Policy

1. The Company stipulates that working safety is the duty of all employees. Staff must participate and cooperate in the operation of safety, occupational health and working environment at the Company. They are given with the rights to show the ideas of improving working conditions and safe working means.
2. The Company supports and promotes the improvement of the environment and safe operation methods, the use of appropriate protective equipment and ensuring the health of all employees.
3. Every manager is tasked with the supervision and responsibility of the working safety of the subordinates. They shall act as a good role model as a leader to train, coach, motivate employees so that they operate in safety to comply with related safety regulations.
4. The Company promotes and supports the implementation of occupational health and safety activities. This is to promote employees' awareness such as trainings, incentives, public relations, safety games, etc.
5. All employees must deeply take into account own occupational health and safety, as well as those of peers and corporate assets throughout the operation.
6. The Company arranges follow-up and evaluation of the operation in accordance with the safety, occupational health and working environment policy to ensure intense performance is put in place and effectiveness is maximized



Safety Day Activity

In 2020, IRC (Rangsit Plant) is awarded as a bronze-medal level establishment for 2020 Zero Accident Campaign.



Safety Talk this is held on a monthly basis as a medium to impart information and updates on safety awareness. It also involves top management speech to deliver safety guidelines to all staff across shift.



Safety Day Activity is held to create awareness about safety. The activities are as follows

The executive gave a speech, and Safety Board and Slogan Award to employee.



Employees from every department presented their Safety Board.



Employees Participated in the Safety's Exhibition



Safety Culture This highlights the safety culture mindset for all staff and related parties at plans. It offers knowledge, guidelines, promotional signs, safety-related talks and a safety culture follow-up every 3 months.



เพื่อความปลอดภัยของเราราบกวน
บริษัท อินู รัฟฟ์ จำกัด (มหาชน) จำกัด บริษัท

Safety and Environmental Clinic to provide a channel for employees to give suggestions related to safety and environment.



In addition, the risk assessment machine safety was also provided with the objective to confirm the safety of the machines before allowing employees to run, this activity includes assigning an audit team, machine hazard risk, improvement and solving, tagging for result confirmation and permission for running machine.



TCC (Toyota Co-Operation Club) Safety Activity

This is about safety activity and assistant task force. Its aim is to promote safety for suppliers of TOYOTA by offering knowledge, consultation, inspection, follow-up and assessment under the target of Zero Accident.



Risk Management Activity Related activities and a business continuity plan are staged, and rehearsals and revision are held once a year to build trust among customers concerning response and reaction to an

emergency to avoid business interruption. This year, emphasis was placed on training in response to the Covid-19 epidemic, causing business disruptions.

ผู้ที่ความเสี่ยง COVID -19



Safety Simulation Room Training

To promote the safety and occupational health in workplace, as well as to control any factors that could affect nearby communities, many activities such as Safety Simulation Room Training is held. This training simulates the production process to the employee for better understanding of the danger, to be able to foresee danger, and caution steps when operate such works. The training courses were categorized as Manager Group, Chief and Foreman Group, and Worker Group, to focus on Learner's Center teaching method.





Safety Simulation Room Training: Chief and Foreman Group

For the acknowledge of danger factors that could happen to employee and to control and prevent the danger.



Safety Simulation Room: Worker Group

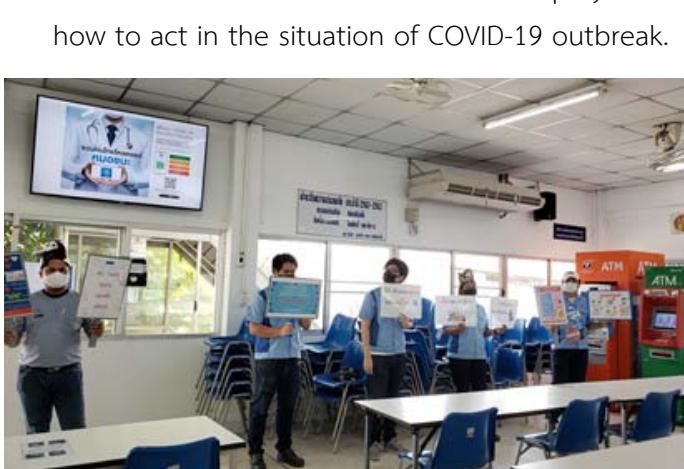
For the awareness of danger from workplace, cause, effect, and self-protection, also what kind of danger to expect.



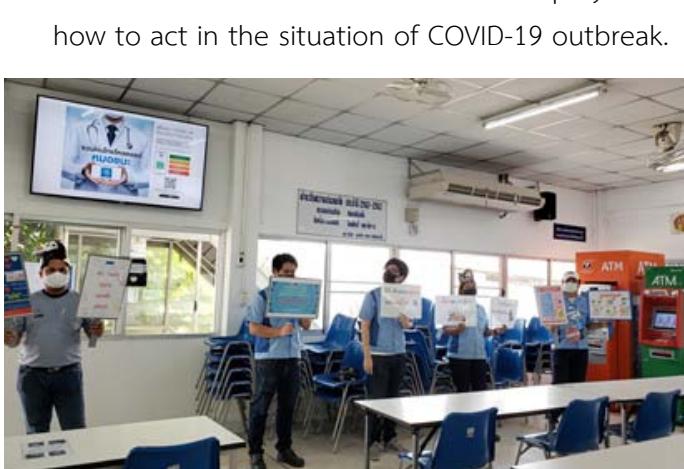
Fire Evacuation Training

IRC's emergency and crisis awareness can be shown as follows

- Continual advanced fire drills are staged



- Firefighting competitions are held at Rangsit and Wang Noi plants to refresh knowledge and raise awareness about preparation of emergency and crisis, etc.



- Camping “Stay Home Stay Safe”



And change the way to communicate about safety to be online in order to continuously communicate safety issues with employees.

Online media samples



Performance



0
ราย

Accident Rates

No serious accidents occur



4
ราย

Production Safety

Production process causing serious damage on an individual, property, environment and reputation



Personal Safety

Of working hours of employees without any serious injuries as of 30 September 2020

Wangnoi
1,786,477

Rangsit
2,134,396

The result of the operation

As a result of regular preparation for the emergency and critical situation, the Company did not have extreme lost time accident or injured person. This included the outcome of the Safety Simulation Room training that gave knowledge to employee at any level through simulation. The target of the employee joining the simulation course is at least 80%

2021 Targets

As for safety management, the Company is resolute to cut accidents in 2020 through the following actions

- Zero lost-time accident
- 50% reduction in non-lost-time accidents as opposed to 2020
- Zero fire-related accidents
- Zero work-related accidents led by the car shuttles and the traffic at the Company

2021 Plan

2021 Operational Plan to achieve the given targets will enhance the level of risk assessment to determine the risk in each activity as a risk level, and apply it as a measure to control the risk at each level to be clearer.



Create
Green Culture

Environment Management and Green Culture

The Company's Key Environmental Performance in 2020



Certified
ISO 14001
Standard for the 5th consecutive year.



Involving in the project to develop the potential of waste utilization hosted by the Department of Industrial Works for the year 2020.



Reduce CO2 emissions by **10%**



Reduce food waste by **28.99%**



Increase the amount of waste recycling by **100%**



The quality of air measured by an external agency is in the standard range.



The quality of water discharge by an external agency is in the standard range.



In 2020, NO environmental complaints from nearby communities.

In 2020, NO significant violations of environmental laws and regulations.

Commitment

Paying attention to environmental management, the Company is investing in the improvement and development of manufacturing process to earnestly harness resources, waste and pollution that exert the lowest consequence on the quality of life of the stakeholders. The Company complies with numbers of laws and regulations surrounding the organizational operations. The Company executes an environmental management system in accordance with ISO 14001 standards and promotes the green culture of the people in the organization so as to ensure minimal adverse impact on the environment while ascertaining that the next generation will witness a green world.

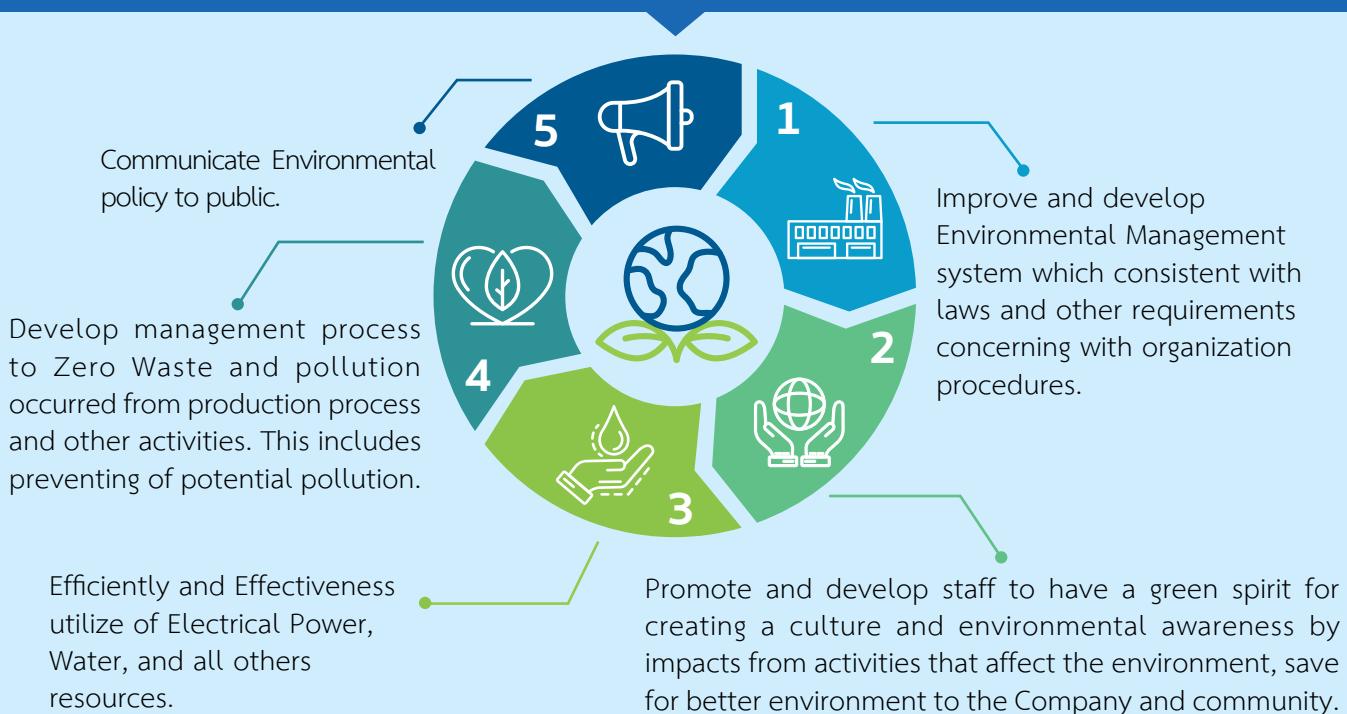
Management Approach

To play a part in fostering a good environment within the Company and pass on to nearby communities, the society, the nation and the world community. The Company seeks to fasten its response to climate change threats by sticking to the Sustainable Development Goals (SDGs) in 6 of its main goals in which the Company can participate in tackling the climate change. The currently emerging issues surrounding climate change include

| | | | |
|---|---|--|--|
| 13 CLIMATE ACTION  | 1) Reducing greenhouse gas emissions (GHGs Gas) | 7 AFFORDABLE AND CLEAN ENERGY  | 2) Reducing the amount of resources used and increasing the use of alternative energy |
| 6 CLEAN WATER AND SANITATION  | 3) Water quality enhancement and increase recycling | 3 GOOD HEALTH AND WELL-BEING  | 4) Protecting the environment to promote employees and surrounding communities' health and well-being. |
| 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  | 5) Managing the efficient use of natural resources and the elimination of toxic waste and pollution | 15 LIFE ON LAND  | 6) Protecting the environment and ecosystems |

IRC has defined “Energy Policy”

to be upheld by all members within the organization in order to drive sustainable development in the aspects of environmental conservation and maintenance of balanced ecosystem.





Environmental Good Governance



The Company adhere to the method of environmental management as Environmental Good Governance principle, which is an international standard.

Moreover, we comply with the 6 important principles that is transparency, fairness, and people participation toward environmental management. This lead to the suitable judgment for both policy and good operation towards sustainable environmental.

Green Industry



The Company has developed into a green industry as guided by the project of the Ministry of Industry. The framework helps promote continuous environmental improvements, and demonstrate social and environmental responsibility both inside and outside the organization; as well as the supply chain. At present, the Company has been awarded with the Green Industry Certification Level 3: Green System. Our aim is to reach the level 4, green culture (Green Industry Level 4: Green Culture) and later on, level 5 green industry (Green Industry Level 5: Green Network).

Operational Results

The Company has been certified by the environmental management system ISO 14001, an international standard economically and socially recognized as a result of the promotion and implementation of environmental policies and sustainability strategies, as well as established the environmental and energy culture, so that all employees work together in an environmentally friendly way for business operations of all areas, until becoming part of the corporate culture, leading to continuous and sustainable development, which can bring about good results in various aspects as follows

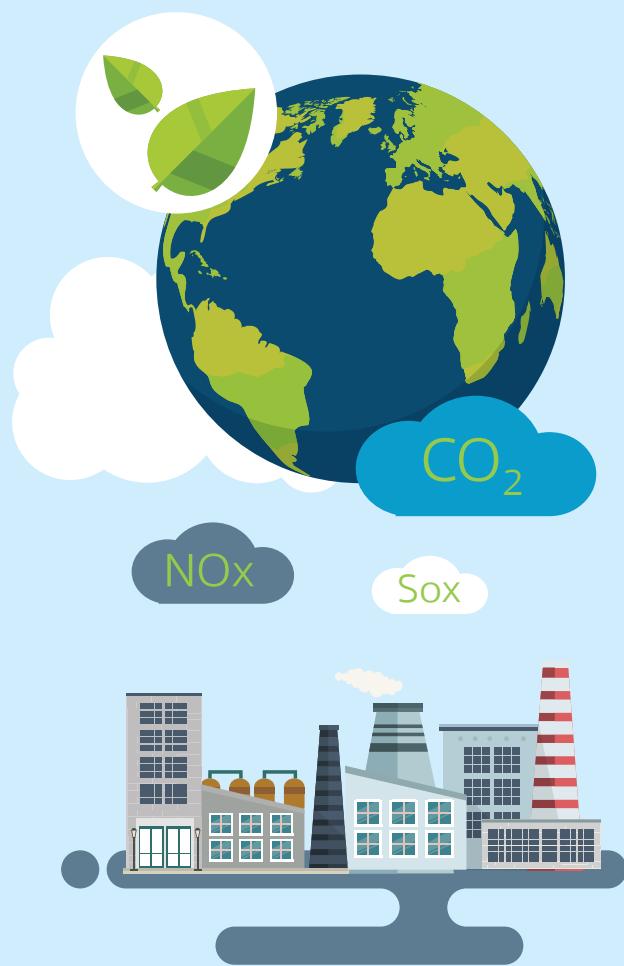
- Increase business opportunities and build trust for customers
- Reduce production costs from efficient use of energy and resources
- Provide a standard water treatment system which is able to recycle water for the use in a green area and cooling tower system
- Being accepted by stakeholder groups such as communities, government agencies, customers, shareholders, etc.

2021 Target

- Certified as Green Industry Level 4: Green Culture
- Certified on waste management in manufacturing plant based on 3Rs Principle

Air Quality Control

Key Performance of Air Quality Control in 2020



The results of air quality measurements in all work areas were **better** than standard range.

CO₂ emissions for 0.79 kg. per production ton, decreasing 44% compared to base year (2019)

NOx emissions for 0.01 ppm per production ton, decreasing 19% compared to base year (2019)

SOx emissions for 0.04 ppm per production ton.

NO complaints about air pollution from nearby communities.

NO significant violations of environmental laws and regulations.

Commitment

The Company develops the business together with controls the air pollution by not only complying with legal requirements but also taking into account the impact on the community and surrounding society. Besides, the Company continuously involves in the investment about the reduction of dust, odor and noise complaints that affect surrounding communities such as the investment about the use of efficient pollution treatment system and about the improvement of production processes in some area to build confidence and reduce community concerns.

Management Approach

Air Quality Management Project



Project Title: Participate in the project to study smell diffusion and impacts of smell disturbances from internal sources under the cooperation between the Company and Mahidol University.

Details: Test by measuring the smell from rubber production process and disturbing smell inside the factory and inside the community, for totaling 6 places, with Electronic Nose technology.

Operational Results: The smell in the atmosphere around the Rangsit Plant area was moderate, in line with specified odor intensity standard.



Project Title: Install Solar Rooftop 997.92 kwp

Details: The solar panels will generate electricity and converted from direct current to alternating current, and sent to power supply system, to CV, PE, Power house and KINNO departments.

Operational Results: The electricity consumption in the plant was reduced by 117,365 kwh per month, or saving cost by 450,000 baht per month, equivalent to a decrease of 66 tonCO₂ e/month of greenhouse gas, it means we can help to plant 5,500 trees/month (to absorb actual greenhouse gas).



Project Title: Install Dust monitoring system at Mixing Department

Details: Filter bag performance monitoring system which originally used the method of daily inspection from Diff pressure gauge was replaced by software displaying the analysis data and traceability, and also measuring the total amount of dust released from dust collector's chute in real-time manner, we also have a plan to expand the use of this system to other Dust Collectors.

Operational Results: We can monitor and detect possible malfunctions to the air treatment system of the Dust Collector in real-time manner.

| Result of satisfaction assessment of the communities around the company (%) | | | | |
|---|------|------|------|-------|
| Villages | 2017 | 2018 | 2019 | 2020 |
| 1. Yoocharoen | 80 | 97 | 93.5 | 91.57 |
| 2. Sriprachak | 74 | 97 | 94 | 91.39 |

Future Operational Plan

- To improve the efficiency of air pollution treatment system

2021 Target

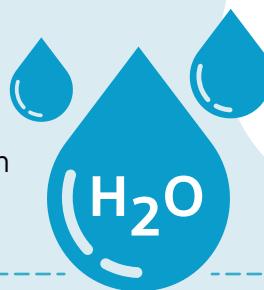
- To make the results of environmental pollution measurement within the standard range and continuously improve the Company's air quality control system.
- To reduce greenhouse gas emissions by 1% from normal business operations within 2021 compared to base year (2018).
- To make no complaints on environmental issues.

Water Management

Key Performance of Water Management in 2020

The water consumption rate

was 12 cubic meters/production ton
Increasing 150% compared to previous year



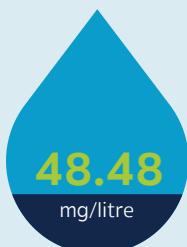
The total water consumption

was 177,689 cubic meters
Increasing 100% compared to previous year.



The amount of Biochemical Oxygen Demand (BOD)

{ 9.13 mg/litre in line with the control standard value for not more than 20 mg/litre.



The amount of Chemical Oxygen Demand (COD)

{ 48.48 mg/litre in line with the control standard value for not more than 120 mg/litre.



Water consumption from Provincial Waterworks Authority

95,787 cubic meters

Groundwater

71,902 cubic meters

Total Suspended Solids (TSS)

17.88 mg/litre
Decreasing
13.86
compared to previous year



Total Dissolved Solids (TDS)

{ 605.03 mg/litre
Decreasing
41.32
compared to previous year

Commitment

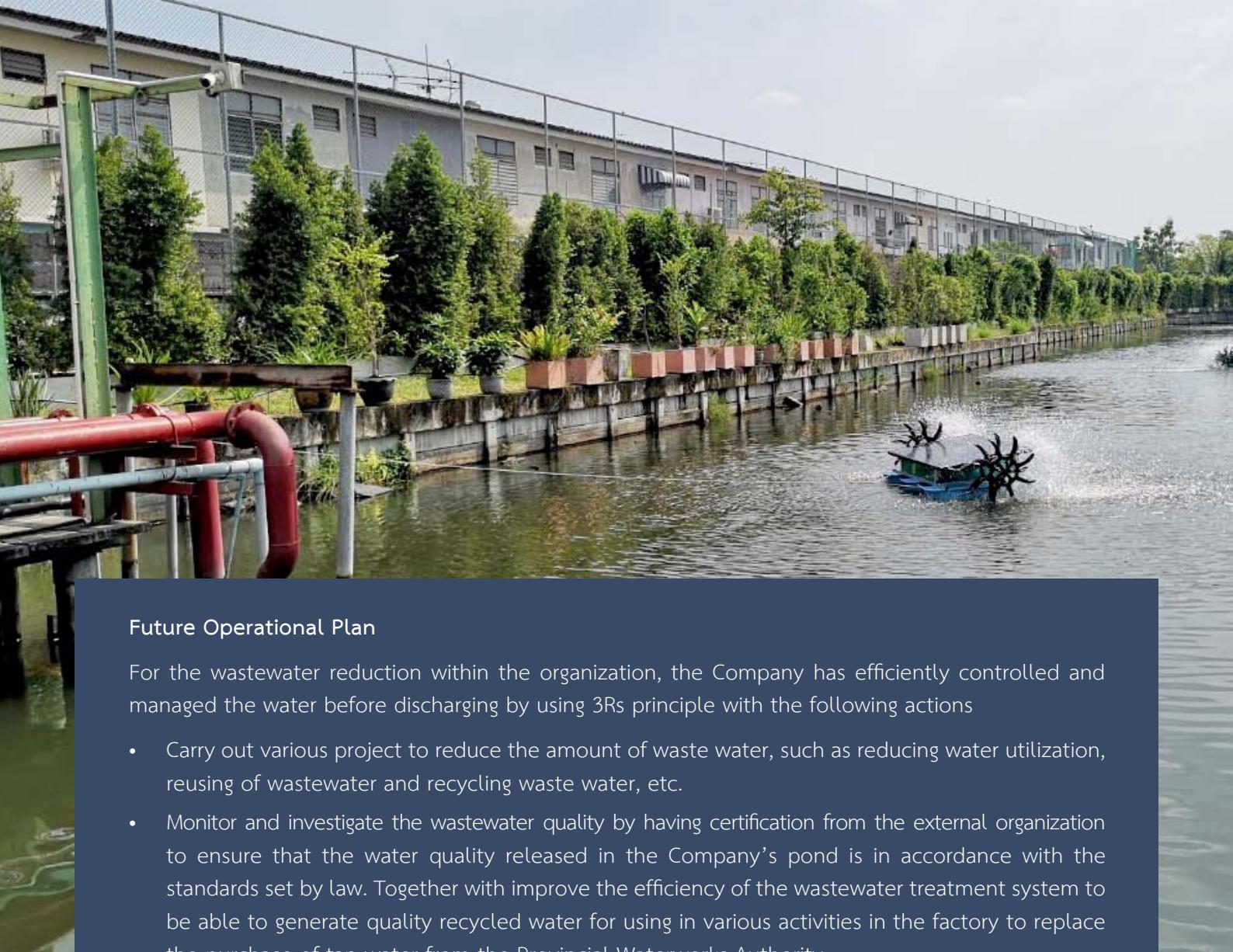
Population growth and economic growth are the driving forces for increasing water consumption in all sectors. These factors result in the possibility of a water crisis in the future. In addition, global warming and climate change are still the causes that affect the water cycle on the earth and lead to various disasters such as rainfall fluctuation and drought or flooding. In order to prepare and to deal with the effects of such phenomena, the Company therefore assigns a working team to continuously monitor the water situation in the main dams and nearby dams in the Company's working areas. The objective is to be able to manage the water resources efficiently.

Management Approach

1. Establish the water management system for sustainable water use
2. Apply technology in the management and increase the quality of waste water process
3. Implement 3Rs principle to increase water efficiency by reducing the use of water and reusing of after treatment water (recycled water)
4. Analyze water quality to be in accordance with the legal criteria on a regular basis

Water Management Project

| No. | 2020 Plans | Operational Results |
|---|--|---|
| Water Recycle Project | | |
| 1 | Water Recycle Project for Cooling System The Company has applied the 3Rs principle to enhance the efficiency of water consumption by reducing water consumption (Reduce) and reusing the post-treated water (Recycle) with Electrocoagulation method which uses the reaction of electric current to create a concentrated magnetic field for separating substances such as bacteria, oils, heavy metals from water without using chemicals, this method is not harmful to the environment, reduces the amount of sludge from the treatment system and increase the efficiency of wastewater treatment in recycling water for cooling system. | <ol style="list-style-type: none"> 1. Reduce the consumption of tap water in the cooling system by 100% within 2020 (6 cooling systems). 2. Reduce the amount of greenhouse gas by 1% compared to the use of tap water in the cooling system. |
| Water Reuse Project | | |
| 2 | Project to reuse water from treatment systems in green areas  | The Company has installed the reused water meter which can collect the data about the volume of reused water, it is in the process of data collection. |
| Water Reduction Project | | |
| 3 | The project to promote the reduction of water consumption by strengthening the awareness of valuable water consumption with training on green culture, and the campaign signs were posted at many locations inside the plant, 3Rs Principle is also applied in this campaign. | To make all employees to realize the importance of water resources and to encourage employees to help in water saving when seeing campaign signs. |
|  | | |



Future Operational Plan

For the wastewater reduction within the organization, the Company has efficiently controlled and managed the water before discharging by using 3Rs principle with the following actions

- Carry out various project to reduce the amount of waste water, such as reducing water utilization, reusing of wastewater and recycling waste water, etc.
- Monitor and investigate the wastewater quality by having certification from the external organization to ensure that the water quality released in the Company's pond is in accordance with the standards set by law. Together with improve the efficiency of the wastewater treatment system to be able to generate quality recycled water for using in various activities in the factory to replace the purchase of tap water from the Provincial Waterworks Authority.
- For the water management in the Company, there is the control of water usage in various activities of the Company appropriately. The amounts of the water used in the special activities such as Big cleaning day and Wet scrubber cleaning are recorded. Moreover, there are checklist to monitor the leaks in various areas in the Company that may cause water extravagant. There is also a campaign to raise awareness among employees about the importance of water resources and to reduce the use of water.
- Install a photovoltaic water turbine at the water storage pond, Rangsit plant.

2021 Target

- To make the results of environmental pollution measurement within the standard range and continuously improve the Company's waste water quality control system.
- To implement various programs to reduce the amount of waste water such as reducing water consumption, waste water recycling.
- Water management is aimed to produce recycled water from treated wastewater for 5% from previously 1.6%, to develop a recycling water production system to be more efficient and to reuse waste water for other benefits, such as watering plants, flushing water in toilets; and to reuse waste water in Wet scrubber system.

Waste Management

Key Performance of Waste Management in 2020



- The total waste volume was **2,736** tons increasing **77** compared to previous year
- The total amount of hazardous waste was **339** tons
- Hazardous waste that could not be disposed and sold was **308** tons
- Hazardous waste that was sent for disposal and for sale was **38** tons
- Income from selling hazardous waste was **176,730** baht.

Volume of harmless waste



The total amount of general waste was **1,314** tons

The total amount of recycled waste was **1,140** tons

The amount of recycled waste from the production process



could generate income for the Company for **4,181,112** baht.



The amount of recycled waste from the Merit from Waste Project (glass bottles, plastic bottles, aluminum cans) was **5.8** tons, and totally **6,744** baht was donated.

The average amount of food waste



was **37.96** tons/year, decreasing **28.99 %** compared to previous year.



The distribution of plastic bags at the Company's canteen was cancelled, decreasing **95%** compared to previous year.



The consumption of disposable plastic cups was decreased by **20.89%** compared to previous year.

Commitment

The Company is committed to managing waste inside the Company on an efficient manner to wisely harness resources and mitigate global warming. Similarly, the Company ensures compliance with relevant laws regarded as an important part of the business and responsible to the community, the society and the environment.

characteristic promotion to emit the least amount of waste. The Company manages each type of waste legally as per utilization by using the 3Rs principles --- Reduce, Reuse and Recycle. The notion also covers the use of renewable resources and the rejection of non-environmentally friendly products. Thirdly, the development of technology is put in place to help cope with waste during the process, such as automation that combats waste in the production process and the introduction of several initiatives to cut reliance on paper and shorten work processes.

Management Approach

The Company has applied the 3Rs principles in waste management. It includes production planning, machine improvement, work methods development, and desirable employee

Waste Reduction Project

1. Merit from Waste Project

Project Details:

1. Place recycling bins around the Plant area;
2. Sell recycled wastes to recycling businesses;
3. Donate money from selling wastes to 3 organizations as follows:
 - 1. Rangsit Babies' Home Foundation, Khlong 5;
 - 2. Old Age Home, Khlong 6;
 - 3. Rajavithi Hospital.
 - 4. Lamsai Subdistrict Administrative Organization
2. Sell food waste from the Company's cafeteria as animal food 
3. The Company sells rubber scraps as part of the production process to turn into alternative fuels to reduce reliance on fossil fuels as much as possible. Likewise, some rubber scraps produce flooring rubber tiles (Vi-Pafe) under the brand IRC and are sold to rubber scrap-processing plants to manufacture recyclable rubber. It is regarded as one of the 3Rs process of the Company.
4. To combat sewage disposal and unused materials, the Company has long run a campaign to separate waste before throwing away. This is to ensure that unwanted materials are properly used and management can be appropriately and systematically completed. In dealing with hazardous waste, the Company has selected agencies/companies with working standards and licenses to perform waste management as a service provider for treatment/disposal of waste or unused materials. What's more, the Company sells recyclable waste to buying agencies/companies for recycling purposes. Lastly, general waste is managed by hiring the municipality to be responsible for the matter.

Future Operational Plan

Promote the correct disposal of both general wastes and recyclable wastes by type, in order to take recycled wastes joining the Merit from Waste project

2021 Target

Reduce the amount of disposable plastic cups for 5%.



Leakage & Spill Prevention and Management



Operational Results of Leakage & Spill Prevention and Management in 2020

NO significant spillage of chemical or LPG for 4 consecutive years

Commitment

The Company determine to develop the operations to prevent significant spills that may affect the environment and the surrounding community, as well as to enhance the business trust. More importantly, this is aimed to prepare for the case of chemical spills so that the employees have knowledge about the control of chemical spills and are able to solve the immediate situation.

Management Approach

The Company has an annual emergency drills to review and prepare our employees to promptly solve and suspend if any emergency occurs, all 5 emergency response plans are as follows:

1. Fire Prevention and Fighting Plan
2. Flooding Response Plan
3. Boiler Explosion Response Plan
4. Chemical Leakage and Spill Response Plan
5. LPG Leakage Response Plan

In addition, we also have a risk assessment to assess, review and add necessary measures when any leakage or spill occurs.

Future Operational Plan

Practice firefighting and protection plan and fire at least evacuation drills once a year

Any new activity or production process will be assessed of risks to review and add necessary measures if any leakage or spill occurs into drains and natural water source, as well as the extended area or container as 2nd step in the event of an emergency, Wang Noi Plant plans to prepare additional chemical storage area in the event of any leakage or spill at flammable chemical storage building, with a total budget of 500,00 baht.

Target

No significant leakage of oil and chemicals throughout the operation period

Energy Management and Climate Change Strategy

Key Performance of Energy Management in 2020

The net total energy consumption was reduced by **831.045 GJ** and the expense was reduced by

877,214.165 million baht
(start to use Solar Rooftop on 18 August 2020 after a license is approved).



The use of electricity from solar power **831.045 GJ**



Greenhouse gas emission (Scope 1)

{ 13,280 tons carbon dioxide equivalent **0.49%** lower than in 2019

Greenhouse gas emissions per production ton (Scope 2)

{ 22,758 tons carbon dioxide equivalent per production ton



Awarded of Certificate from the Department of Industrial Works for the cooperation on a project to increase the efficiency of combustion for boilers and steam boilers using liquid as heat-transfer media for energy conservative and reduction of PM 2.5 in plants located in Bangkok and suburbs.

Commitment

The Company is aware of the climate change problem, problem of severe natural disasters that damage life, property and natural resources, therefore has established a responsible business plan, promoted sustainable and valuable energy consumption, planned the development of systematic production process and operations, promoted the supply and consumed environmentally sensitive energy, and promoted clean energy development project to reduce the impact on the environment and community, alleviated the problem of global warming, and respond to the Paris Agreement under the United Nations Framework Convention on Climate Change.

Management Approach

1. Economical and cost-effective energy use by cultivating values and awareness of energy use.
2. Plan and control energy efficiency and maximize benefits. Reduce energy loss in all steps engaged. Regular monitoring and supervision of electrical appliances is done to lessen energy leakage.
3. Use of renewable energy especially one from natural sources such as solar energy, wind power, water power and etc.
4. Choose high-efficiency tools and equipment such as electrical appliances with No. 5 brand, economical thin tubes, LED bulbs and the usage of highly efficient equipment.
5. Devise products with lower environmental impacts, and use green technology as part of consideration for future investment projects.

Promoting Business's Values via Greenhouse Gas Distribution Reduction Project



Carbon Footprint for Organization: CFO

The Company has participated in the Promotion of Organizational Carbon Footprint's Phase 8, a key tool to support information collection and report greenhouse gas emissions at the organizational level to grow management capability and reduce greenhouse gas emissions and to jointly cut and control carbon dioxide emissions which worsen global warming.

Operational Results

Energy Conservative Project

Rangsit Plant



Install Solar Rooftop sized 603.68 kWp



The power generation system from solar cell provides clean energy that does not causes pollution and helps reduce global warming, the Company is aware of environmental problems, therefore, has installed a 603.68 kWp Solar Rooftop for the whole rooftop area of the plant where solar cells can be installed, it could generate electricity for 923,962.38 kWh/year, saving electricity cost for 3,511,057.044 baht/year, reducing 553.083 tons of CO2/year

Install Inverter Vacuum Pump Tire 1



Previously, the vacuum pump for tubes had used two 22 kW vacuum pumps, but when using, the valve is turned on to reduce the vacuum force so as not to cause

damages to the vacuum pump when the vacuum force is exceeded, but when using only one vacuum pump, the vacuum force is insufficient for using, therefore, an Inverter is installed to reduce the cycle speed of Vacuum Pump to create the perfect vacuum force for using. The energy consumption was reduced by 40%, electricity consumption was reduced by 126,720 kWh/year, saving electricity cost for 481.536 baht/year and reducing 75.9 tons of carbon dioxide/year.

Reduction on the Use of Vacuums Pump and Cooling Tower for the drying area of tubes



Before improvement: the drying area of tubes uses 4 Vacuums Pumps to vacuum steam out of manufacturing process, and 1 Cooling Tower to cool and seal the Vacuums.

After improvement: One big vacuum tank was installed as a storage tank for Vacuum Steam, which can reduce the use of 2 Vacuums Pumps and a water tank was installed to replace Cooling Tower and then pump the water from the Cooling Tower Tire 2 to the water tank instead of previous cooling tower, the electricity consumption was reduced by 89,424 kWh/year and the electricity cost was saved for 344,282.4 baht/year and the carbon dioxide emission was reduced by 52.73 tons of CO2/year.

Replacement of high efficiency split air conditioner



Based on the efficiency measurement of split air conditioners, it was found that three air conditioners had low efficiency and should be improved, therefore, new highly efficient air conditioners were installed to replace the old ones, the electricity consumption was reduced by 4,848.57 kWh/year and electricity cost was saved for 18,666.99 baht/year, the carbon dioxide emission was decreased by 2.86 tons of carbon dioxide/year.

Wang Noi Plant



Install Solar Rooftop sized 997.92 kWp

 3,120,000
Baht/year

The Company installed a solar rooftop sized 997.92 kWp on the whole rooftop area of the plant, the renewable electricity was generated in replacement of external energy for 906,040 kWh/year, saving electricity cost of 3,120,000 baht/year, reducing carbon dioxide emissions of 540 tons of carbon dioxide/year.

Project to install inverter to adjust the motor frequency of air treatment system,

Wet scrubber CV extruder 3,4

 105,607
Baht/year

An inverter was installed to adjust the currency frequency of electric fan motor, Wet scrubber CV extruder 3,4 to below 50 Hz in order to reduce energy loss from excessive use. The electricity consumption was reduced by 26,736 kWh/year, saving electricity cost for 105,607 baht/year and reducing carbon dioxide emissions by 15.96 tons of carbon dioxide per year.

Project to install a hot air blower to heat the workpiece at the glue spray booth instead of using hot air from the steam boiler.

 -
Baht/year

Install a hot air blower to heat the workpiece at the glue spray booth in replacement of using hot air from the steam boiler because the distance between the boiler and the usage place is quite far, causing a lot of energy loss on the way. In addition, the boiler system is running by using fuel oil as direct fuel, the installation of hot air blower can help reduce carbon dioxide emissions by 17.06 tons of CO₂ per year.

Future Operational Plan

- The energy conservation project has been continued to increase energy efficiency and reduce greenhouse gas emissions from air pump management, reduced the amount of air pump consumption by adjusting the air pressure suitable for usage, made a survey of air duct size and the path of wind pipe to improve and reduce the loss of air pressure, the air pressure is provided at same level to all points of usage.
- Establish a clear long-term emission management strategy plan.

2021 Target

- The greenhouse gas emission is target to be reduced by 3% compared to 2020.

Summary of Economic, Social and Environment performance

| Economics Performance | | | | | |
|---------------------------|--|-------------------------|------------|------------|------------|
| GRI | Topics | Unit | 2018 | 2019 | 2020 |
| Disclosure 201-1 | Revenue | | | | |
| | Sales and services | Million THB | 5,562.41 | 5,429.64 | 4,364.11 |
| | Total Revenue | Million THB | 5,614.13 | 5,481.27 | 4,433.89 |
| | Net profit | Million THB | 348.95 | 166.54 | 219.06 |
| | EBIT | Million THB | 432.47 | 196.93 | 264.32 |
| | Expenditure for income contribution to stakeholders | | | | |
| | COGs | Million THB | 4,788.68 | 4,865.66 | 3,799.05 |
| | Employee benefit obligations) | Million THB | 207.18 | 260.55 | 326.8 |
| | Corporate Income Tax / Tax payment to government and local authorities | Million THB | 73.84 | 30.39 | 45.26 |
| | Community Investment / Community and Social Development | Million THB | 4.08 | 1.87 | 3.91 |
| | Dividend payment to shareholders (waiting for 2021AGM approval) | Million THB | 179.31 | 83.27 | 109.53 |
| | Dividend payment to shareholders | Baht/share | 0.90 | 0.42 | 0.57 |
| Disclosure 204-1 | Supply chain management | | | | |
| | Local purchases of goods and services* | Million THB | 4,421.82 | 4,625.05 | 3,779.54 |
| | Percentage of local purchases of goods and services* | Percentage | 85.04 | 86.39 | 86.99 |
| Disclosure 205-2 | Anti-corruption | | | | |
| | Percentage of employees that acknowledge anti-corruption policies | Percentage | 100 | 100 | 100 |
| | Confirmed incidents of corruption and action taken | Case | 0 | 0 | 0 |
| Environmental Performance | | | | | |
| GRI | Topics | Unit | 2018 | 2019 | 2020 |
| Disclosure 302-3 | Total Energy Consumption within the Organization | GJ | 261,556.16 | 254,721.42 | 286,816.63 |
| | Non-Renewable Energy Consumption | | | | |
| | Energy: | | | | |
| | - Natural Gas (LPG) | GJ | NONE | 3,588.51 | 491.60 |
| | - Bunker oil/ Fuel oil | GJ | 177,673.27 | 167,521.58 | 432,618.62 |
| | Electricity and steam : | | | | |
| | - Electricity | GJ | 82,608.19 | 82,409.47 | 131,225.58 |
| | - Steam | GJ | 0 | 0 | 0 |
| | Other: | | | | |
| | Renewable Energy | | | | |
| | - Solar | GJ | 68.26 | 126.88 | 4,183.63 |
| | - Biomass and Biogas | GJ | 0 | 0 | 0 |
| Disclosure 302-4 | Energy Intensity | GJ/production tons | NONE | 13.51 | 18.48 |
| | Reduction of energy consumption | | | | |
| | Electricity | GJ | 156.70 | 339.38 | 6,323.71 |
| | Steam | GJ | 0 | 0 | 0 |
| | Bunker oil/ Fuel oil | GJ | 188.21 | 0 | 254.50 |
| Disclosure 305-1 | Greenhouse gas (GHG) emission | | | | |
| | Direct GHG emission from production processes (SCOPE 1) | tCO2e | 13,892.52 | 13,333.81 | 13,280.14 |
| Disclosure 305-2 | Indirect GHG emission from power and biogas purchased (SCOPE 2) | tCO2e | 13,531.68 | 13,325.15 | 22,758.22 |
| Disclosure 305-4 | (GHGs Emission Intensity) | | | | |
| | Rangsit | (tCO2e/production tons) | NONE | 1.41 | 1.51 |

| GRI | Topics | Unit | 2018 | 2019 | 2020 |
|---------------------------|---|----------------------------------|-----------|-----------|-----------|
| | Wangnoi | (tCO2e/production tons) | 0.05 | 0.05 | 0.84 |
| Disclosure 305-7 | Air emissions | | | | |
| | CO2 | Tons | 22,852 | NONE | NONE |
| | CO2 Intensity | Tons/ Production tons | NONE | NONE | NONE |
| | Total Suspended Particulate Matter: TSP | Tons | NONE | NONE | NONE |
| | TSP Intensity | Tons/ Production tons | NONE | NONE | NONE |
| Disclosure 303-1 | Water | | | | |
| | Total water used | m ³ | 86,752 | 88,792 | 177,689 |
| | Water supply used | m ³ | 58,116 | 48,744 | 95,787 |
| | Ground water used | m ³ | 28,636 | 40,048 | 71,902 |
| | Water used from other sources | m ³ | 0 | 0 | 0 |
| | Water Intensity | m ³ / production tons | NONE | 4.71 | 12 |
| Disclosure 303-3 | Reused and Recycled water | m3 | NONE | NONE | 650 |
| | Percentage of water recycled and reused to total water withdrawl | Percentage | NONE | NONE | 2 |
| Disclosure 306-1 | Effluent | | | | |
| | BOD | mg/l | 12.25 | 13.25 | 9.13 |
| | COD | mg/l | 49.00 | 51.00 | 48.48 |
| | Oil and Grease | mg/l | 3.50 | 3.33 | 11.00 |
| | TSS | mg/l | 18.50 | 20.75 | 17.88 |
| | TDS | mg/l | 650.00 | 1031.00 | 605.03 |
| Disclosure 306-2 | Waste Disposal | | | | |
| | Total waste | Tons | 3,220 | 1,546 | 2,736 |
| | Hazardous waste | | | | |
| | - Hazardous waste that cannot be sold | Tons | 266 | 169 | 308.5 |
| | - Hazardous waste that can be sold | Tons | 376 | 9 | 38.3 |
| | - Return from selling | Baht | 213,610 | 24,300 | 176,730 |
| | Non-hazardous Waste | | | | |
| | - Recycling of non-hazardous waste | Tons | 2,578 | 1,367 | 1,140 |
| | - Return from selling | Baht | 6,314,161 | 4,199,644 | 4,181,112 |
| Disclosure 306-3 | Oil and Chemical spills | | | | |
| | Number of significant oil and chemical spills (more than 100 Barrels each) | Case | 0 | 0 | 0 |
| Disclosure 308-1 | Supply Chain Management | | | | |
| | New suppliers/ key suppliers were self-assesed on SCOC criteria | Percentage | 100 | 100 | 100 |
| Disclosure 307-1 | Environmental Compliance | | | | |
| | Number of significant fines associates with environmental law violation | Case | 0 | 0 | 0 |
| | Monetary value of significant fines associated with environmental law violation | Baht | 0 | 0 | 0 |
| Disclosure 308-1 | New suppliers were self-assesed on SCOC criteria | Case | 11 | 10 | 10 |
| Disclosure 308-2 | New suppliers found environmental issues | Case | 0 | 0 | 0 |
| Social Performance | | | | | |
| GRI | Topics | Unit | 2018 | 2019 | 2020 |
| | 1. Employment | | | | |
| | *The Company has an exclusive employment policy. There are no temporary, part-time, or self-employment and no seasonal difference in manpower | | | | |
| Disclosure 102-8 | Employee | Persons | 1,679 | 1,582 | 1,402 |
| | - By Gender: | | | | |
| Disclosure 401-1 | * Male | Persons | 1,052 | 1014 | 891 |
| | * Female | Persons | 627 | 568 | 511 |
| | - By Level : | | | | |
| | * Worker/ Skilled Worker Level | | | | |
| | Male | Persons | 702 | 653 | 534 |
| | Female | Persons | 479 | 421 | 364 |
| | Total | Persons | 1181 | 1074 | 898 |
| | * Staff Level | | | | |
| | Male | Persons | 14 | 13 | 11 |
| | Female | Persons | 27 | 24 | 22 |

| GRI | Topics | Unit | 2018 | 2019 | 2020 |
|------------------|-----------------------------------|---------|------|-------|-------|
| | Total | Persons | 41 | 37 | 33 |
| | * Foreman Level | | | | |
| | Male | Persons | 148 | 152 | 153 |
| | Female | Persons | 17 | 21 | 22 |
| | Total | Persons | 165 | 173 | 175 |
| | * Chief Level | | | | |
| | Male | Persons | 143 | 153 | 149 |
| | Female | Persons | 88 | 89 | 89 |
| | Total | Persons | 231 | 242 | 238 |
| | * Specialist Level | | | | |
| | Male | Persons | 6 | 7 | 7 |
| | Female | Persons | 1 | 1 | 1 |
| | Total | Persons | 7 | 8 | 8 |
| | * Manager Level | | | | |
| | Male | Persons | 28 | 27 | 29 |
| | Female | Persons | 12 | 9 | 10 |
| | Total | Persons | 40 | 36 | 39 |
| | * Division Manager Level | | | | |
| | Male | Persons | 8 | 7 | 6 |
| | Female | Persons | 1 | 1 | 1 |
| | Total | Persons | 9 | 8 | 7 |
| | * Top Management Level | | | | |
| | Male | Persons | 3 | 2 | 2 |
| | Female | Persons | 2 | 2 | 2 |
| | Total | Persons | 5 | 4 | 4 |
| | - By Age : | | | | |
| | Less than 30 | Persons | 175 | 336 | 262 |
| | Between 30-50 | Persons | 560 | 1,107 | 1,003 |
| | More than 50 | Persons | 42 | 139 | 137 |
| | - By Area : | | | | |
| | Rangsit site | Persons | 902 | 826 | 722 |
| | Wangnoi site | Persons | 777 | 756 | 680 |
| | By Business unit : | | | | |
| | Admin & Control | Persons | 151 | 135 | 124 |
| | Motorcycle Tire & Tube | Persons | 766 | 703 | 600 |
| | IED | Persons | 615 | 594 | 534 |
| | IRC (Asia) Research Co., Ltd | Persons | 123 | 131 | 122 |
| | Kinno Hoshi Engineering Co., Ltd. | Persons | 24 | 24 | 22 |
| Disclosure 401-1 | Total Employees Turnover | Persons | 159 | 200 | 216 |
| | - By Gender: | | | | |
| | *Male | Persons | 95 | 120 | 143 |
| | *Female | Persons | 64 | 80 | 73 |
| | - By Age : | | | | |
| | Less than 30 | Persons | 69 | 59 | 60 |
| | Between 30-50 | Persons | 66 | 129 | 125 |
| | More than 50 | Persons | 24 | 12 | 31 |
| | - By Area : | | | | |
| | Rangsit site | Persons | 98 | 138 | 103 |
| | Wangnoi site | Persons | 61 | 63 | 113 |
| | Total New Employees | Persons | 124 | 140 | 57 |
| | - By Gender: | | | | |
| | *Male | Persons | 78 | 105 | 40 |
| | *Female | Persons | 46 | 35 | 17 |
| | - By Age : | | | | |
| | Less than 30 | Persons | 70 | 131 | 51 |
| | Between 30-50 | Persons | 54 | 9 | 4 |
| | More than 50 | Persons | 0 | 0 | 2 |
| | - By Area : | | | | |
| | Rangsit site | Persons | 75 | 81 | 30 |
| | Wangnoi site | Persons | 49 | 59 | 27 |

| GRI | Topics | Unit | 2018 | 2019 | 2020 |
|------------------|---|------------------------|-------|-----------|-----------|
| Disclosure 401-3 | Parental Leave | | | | |
| | Parental Leave | Persons | 49 | 17 | 13 |
| | Employees back to work after parental leave | Persons | 49 | 17 | 13 |
| Disclosure 404-1 | 2. Average Training hours | | | | |
| | Total training hours | Hour | | 53,890.50 | 39,139.00 |
| | Average training hours | Hour/employee | | 36.29 | 26.91 |
| | - By Gender: | | | | |
| | *Male | Hours/ Person/ Year | 41.82 | 37.14 | 26.86 |
| | *Female | Hours/ Person/ Year | 32.59 | 34.88 | 27.02 |
| | - By Level : | | | | |
| | * Worker/ Skilled Worker level | Hours/ Person/ Year | 47.33 | 31.41 | 32.67 |
| | * Staff level | Hours/ Person/ Year | 23.17 | 18.96 | 21.45 |
| | * Foreman level | Hours/ Person/ Year | 45.21 | 42.14 | 60.58 |
| | * Chief level | Hours/ Person/ Year | 49.03 | 52.93 | 48.93 |
| | * Manager level | Hours/ Person/ Year | 69.66 | 63.79 | 26.92 |
| Disclosure 412-2 | 3. Labour and Human Rights | | | | |
| | Total hours of employee training to human right policies or procedures concerning aspects of human rights | Percentage | 100 | 100 | 100.00 |
| | Labour and Human Right Complaint | Case | 0 | 0 | 0 |
| Disclosure 403-1 | 4. Occupational Health and Safety | | | | |
| | Percentage of total workforce represented in formal joint management | | | | |
| | - Worker health & safety members | Percentage | 100 | 100 | 100 |
| | Injuries, Illness, Fatalities, and Safety in Production Processes | | | | |
| | Total work hour | | | | |
| | - Employees | Hours | 0 | 0 | 3,920,873 |
| | - Worker controlled by IRC | Hours | 0 | 0 | 523,044 |
| | Total Recordable Injuries Case (TRIC) | | | | |
| | - Employees | Persons | 0 | 0 | 7 |
| | - Worker controlled by IRC | Persons | 0 | 0 | 3 |
| | Lost Time Accident (LWC) | | | | |
| | - Employees | Case | 0 | 0 | 1 |
| | - Worker controlled by IRC | Case | 0 | 0 | 0 |
| | Fatalities | | | | |
| | - Employees | Case | 0 | 0 | 0 |
| | - Worker controlled by IRC | Case | 0 | 0 | 0 |
| | Lost Time Injury Frequency Rate (LTIFR) | | | | |
| | - Employees | Person/ Million man-hr | 0.00 | 0.00 | 0.47 |
| | - Worker controlled by IRC | Person/ Million man-hr | 0.00 | 0.00 | 0.00 |
| | Lost Time Injury Frequency Rate (TRIR) | | | | |
| | - Employees | Person/ Million man-hr | 0.00 | 0.00 | 1.41 |
| | - Worker controlled by IRC | Person/ Million man-hr | 0.00 | 0.00 | 5.74 |
| | Injury Frequency Rate (IFR) | | | | |
| | - Employees | Person/ Million man-hr | 0.00 | 0.00 | 0.47 |
| | - Worker controlled by IRC | Person/ Million man-hr | 0 | 0 | 0 |
| | Occupational Disease Rate (ODR) | | | | |
| | - Employees | Person | 0 | 0 | 0 |
| | - Worker controlled by IRC | Person | 0 | 0 | 0 |
| | Lost Day Rate | | | | |
| | - Employees | Percentage | 0.00 | 0.00 | 7.50 |
| | Accidents in the production process | Case | 0 | 0 | 4 |

* Injuries are excluded first aid in the injury rate (IR) and lost day count begins the scheduled work day after the accident

| 5. Customer Responsibility | | | | | |
|-----------------------------------|---|------------|------|-----|-------|
| Disclosure 102-43 | Customer Satisfaction survey | | | | |
| | - Tire-Tube Business Unit | Percentage | 100 | 100 | 84.22 |
| | - IED Business Unit | Percentage | 94.5 | N/A | 82.82 |
| Disclosure 416-2 | No. of incidents of non-compliance with regulations and voluntary codes concerning customers' safety | Case | 0 | 0 | 0 |
| Disclosure 417-2 | No. of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling | Case | 0 | 0 | 0 |

| GRI | Topics | Unit | 2018 | 2019 | 2020 |
|------------------|--|------------|------|------|------|
| Disclosure 417-3 | No. of incidents of non-compliance with regulations and voluntary codes concerning marketing communication | Case | 0 | 0 | 0 |
| Disclosure 418-1 | No. of incidents of substantiated compliances regarding breaches of customer privacy | Case | 0 | 0 | 0 |
| Disclosure 414-1 | 6. Supplier Social Assessment | | | | |
| | New suppliers screened by Human Rights criteria | Percentage | 100 | 100 | 100 |
| | New suppliers screened by Labour Practice criteria | Percentage | 100 | 100 | 100 |
| | New suppliers screened by negative impacts on society criteria | Percentage | 100 | 100 | 100 |
| | Number of suppliers subjected to Human Rights | Case | 0 | 0 | 0 |
| Disclosure 414-2 | Number of suppliers subjected to Labour Practice | Case | 0 | 0 | 0 |
| | Number of suppliers subjected to negative impacts on society | Case | 0 | 0 | 0 |
| Disclosure 419-1 | 7. Socioeconomic Compliance | | | | |
| | Number of fines for non-compliance with laws and regulations | Case | 0 | 0 | 0 |
| | Amount of fines for non-compliance with laws and regulations | Baht | 0 | 0 | 0 |

GRI Content Index

| GRI Standards | Disclosure | Reported page in AR/SR 2020 | Omission/ Remarks | SDGs |
|------------------------|---|------------------------------|---|-------|
| GRI 101: Foundation | | | | |
| General Disclosures | | | | |
| General Disclosure | | | | |
| 102-1 | Name of the organization | 3 | - | - |
| 102-2 | Activities, brands, products, and services | 3 | - | - |
| 102-3 | Location of headquarters | 3 | - | - |
| 102-4 | Location of operations | 3 | - | - |
| 102-5 | Ownership and legal form | Annual Report 42 | - | - |
| 102-6 | Markets served | Annual Report 33 | - | - |
| 102-7 | Scale of the organization | 3 | - | - |
| 102-8 | Information on employees and other workers | 43-44 | - | 5, 8 |
| 102-9 | Supply chain | 20-21 | - | - |
| 102-10 | Significant changes to the organization and its supply chain | This page | No significant changes | - |
| 102-12 | External initiatives | 59 | - | - |
| 102-13 | Membership of associations | This page | Does not being a member to any international organization | - |
| STRATEGY | | | | |
| 102-14 | Statement from senior decision-maker | 1 | - | - |
| 102-15 | Key impacts, risk, and opportunities | Annual Report 63-68 | - | - |
| ETHICS AND INTEGRITY | | | | |
| 102-16 | Values, principles, standards, and norms of behavior | 15-17 Annual Report 46-61 | - | 16 |
| 102-17 | Mechanisms for advice and concerns about ethics | 17 | - | 16 |
| GOVERNANCE | | | | |
| 102-18 | Governance structure | Annual Report 47 | - | - |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | Annual Report 47-48, 52 | - | - |
| 102-22 | Composition of the highest governance body and its committees | Annual Report 47-53 | - | 5 |
| 102-24 | Nominating and selecting the highest governance body | Annual Report 60 | - | 5, 16 |
| 102-25 | Conflicts of interest | 17 | - | 16 |
| 102-26 | Role of highest governance body in setting purpose, values, and strategy | Annual Report 47-48 | - | 16 |
| 102-28 | Evaluating the highest governance body's performance | 16 | - | - |
| 102-29 | Identifying and managing economic, environmental, and social impacts | 22-69 | - | 16 |
| 102-33 | Communicating critical concerns | 17 | - | - |
| STAKEHOLDER ENGAGEMENT | | | | |
| 102-40 | List of stakeholder groups | 10-12 | - | - |
| 102-41 | Collective bargaining agreements | 45-47 | - | 8 |
| 102-42 | Identifying and selecting stakeholders | 9-10 | - | - |
| 102-43 | Approach to stakeholder engagement | 10 | - | - |
| 102-44 | Key topics and concerns raised | 9-12 | - | - |
| REPORTING PRACTICE | | | | |
| 102-45 | Entities included in the consolidated financial statement | Annual Report 86 | - | - |
| 102-46 | Defining report content and topic boundaries | 2 | - | - |
| 102-47 | List of material topics | 9 | - | - |
| 102-49 | Changes in reporting | This page | No report data changed | |
| 102-50 | Reporting period | | - | - |
| 102-51 | Date of most recent report | This page | Latest report is Sustainability Report (SD Report) for 2019, as of September 30, 2019 | |
| 102-52 | Reporting cycle | 2 | - | - |
| 102-53 | Contact point for questions regarding the report | 2 | - | - |
| 102-54 | Claims of reporting in accordance with the GRI Standards | 2 | - | - |
| 102-55 | GRI content index | 75-77 | - | - |
| 102-56 | External assurance | This page | IRC plan for data reviewed by External Assurance in the future | - |

| GRI Standards | Disclosure | | Reported page in AR/SR 2020 | Omission/ Remarks | SDGs | | |
|---|--|--|-----------------------------|------------------------------------|-----------------|--|--|
| Material Topics | | | | | | | |
| GRI 200 Economic Standard Series | | | | | | | |
| GRI 201: Economic Performance | ECONOMIC PERFORMANCE | | | | | | |
| | 201-1 | Direct economic value generated and distributed | 23 | - | 7, 8, 9 | | |
| | 203-1 | Infrastructure investments and services supported | This page | None | 7,9,11 | | |
| | 203-2 | Significant indirect economic impacts | This page | None | 3, 8, 17 | | |
| GRI 204: Procurement | PROCUREMENT PRACTICE | | | | | | |
| | 204-1 | Proportion of spending on local suppliers | 21 | - | 12 | | |
| | | | | | | | |
| GRI 205: Anti-Corruption | ANTI-CORRUPTION | | | | | | |
| | 205-2 | Communication and training about anti-corruption policies and procedures | 17 | - | 16 | | |
| | 205-3 | Confirmed incidents of corruption and actions taken | 70 | - | 16 | | |
| Material Topics | | | | | | | |
| GRI 300 Environmental Standard Series | | | | | | | |
| GRI 302: Energy | ENERGY | | | | | | |
| | 302-1 | Energy consumption within the organization | 70 | - | 7, 8, 12, 13 | | |
| | 302-3 | Energy intensity | 70 | - | 7, 8, 12, 13 | | |
| | 302-4 | Reduction of energy consumption | 70 | - | 7, 8, 12, 13 | | |
| GRI 303: Water | WATER | | | | | | |
| | 303-1 | Water withdrawal by source | 71 | - | 6 | | |
| | 303-3 | Water recycled and reused | 71 | - | 6 | | |
| GRI 305: Emissions | EMISSIONS | | | | | | |
| | 305-1 | Direct (Scope 1) GHG emissions | 70 | - | 3, 12, 13 | | |
| | 305-2 | Energy indirect (scope2) GHG emissions | 70 | - | 3, 12, 13 | | |
| | 305-4 | GHG emissions intensity | 71 | - | 13 | | |
| | 305-5 | Reduction of GHG emissions | This page | None | 13 | | |
| | 305-7 | Nitrogen oxide (NOx), sulfur oxides (SOx), and other significant air emissions | This page | The data is not available | SDG 3 SDG 12 | | |
| GRI 306: Effluents and Waste | EFFLUENT AND WASTE | | | | | | |
| | 306-1 | Water discharge by quality and destination | 71 | - | 3, 6, 12 | | |
| | 306-2 | Waste by type and disposal method | 71 | - | 3, 6, 12 | | |
| | 306-3 | Significant spills | 71 | - | 3, 6, 12 | | |
| GRI 307: Environmental | ENVIRONMENTAL COMPLIANCE | | | | | | |
| | 307-1 | Non-compliance with environmental law and regulation | 71 | - | 16 | | |
| GRI 308: Supplier Assessment | SUPPLIER ENVIRONMENT ASSESSMENT | | | | | | |
| | 308-1 | New suppliers that were screened using environmental criteria | 71 | - | - | | |
| | 308-2 | Negative environmental impacts in the supply chain and actions taken | This page | None | - | | |
| Material Topics | | | | | | | |
| GRI 400 Social Standard Series | | | | | | | |
| GRI 401: Employment | EMPLOYMENT | | | | | | |
| | 401-1 | New employee hires and employee turnover | 72 | - | 5, 8 | | |
| | 401-3 | Parental leave | 73 | - | 8 | | |
| GRI 403: Occupational Health and Safety | OCCUPATIONAL HEALTH AND SAFETY | | | | | | |
| | 403-1 | Occupational health and safety management system | 51-55 | - | 8 | | |
| | 403-2 | Types of injury and rate of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | 73 | - | 3, 8 | | |
| GRI 404: Training and Education | TRAINING AND EDUCATION | | | | | | |
| | 404-1 | Average hours of training per year per employee | 73 | - | 4, 8 | | |
| | 404-3 | Percentage of employees receiving regular performance and career development reviews | This page | The data will be available in 2020 | 11 | | |
| GRI 405: Diversity and Equal | DIVERSITY AND EQUAL OPPORTUNITY | | | | | | |
| | 405-1 | Diversity of governance bodies and employees | 43 | - | - | | |
| GRI 412: Human Rights Assessment | Human Rights Assessment | | | | | | |
| | 412-2 | Employee training on human rights policies or procedures | 73 | - | - | | |
| GRI 413: Local Communities | LOCAL COMMUNITIES | | | | | | |
| | 413-1 | Operations with local community engagement, impact assessments, and development programs | 12, 36-41 | - | - | | |
| | 413-2 | Operations with significant actual and potential negative impacts on local communities | This page | None | - | | |
| GRI 414: Supplier Social Assessment | SUPPLIER SOCIAL ASSESSMENT | | | | | | |
| | 414-1 | New suppliers that were screened using social criteria | 74 | - | 8, 16 | | |

| GRI Standards | Disclosure | | Reported page in AR/SR 2020 | Omission/ Remarks | SDGs |
|-------------------------------------|-----------------------------------|---|-----------------------------|-------------------|------|
| | 414-2 | Negative social impacts in the supply chain and actions taken | | This page | None |
| GRI 415: Public Policy | PUBLIC POLICY | | | | |
| | 415-1 | Political contributions | | This page | None |
| GRI 416: Customer Health and Safety | CUSTOMER HEALTH AND SAFETY | | | | |
| Health and Safety | 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | | 74 | - |
| GRI 417: Marketing and Labeling | MARKETING AND LABELING | | | | |
| and Labeling | 417-2 | Incidents of non-compliance concerning product and service information and labeling | | 74 | - |
| | 417-3 | Incidents of non-compliance concerning marketing communications | | 74 | - |
| GRI 418: Customer Privacy | CUSTOMER PRIVACY | | | | |
| Privacy | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | | 74 | - |
| GRI 419: Socioeconomic Compliance | SOCIOECONOMIC COMPLIANCE | | | | |
| Socioeconomic Compliance | 419-1 | Non-compliance with laws and regulations in the social and economics area | | This page | None |

SUSTAINABLE DEVELOPMENT GOALS





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