

# SUSTAINABILITY REPORT 2017



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READER SURVEY

CHIEF EXECUTIVE
OFFICER'S MESSAGE

## CHIEF EXECUTIVE OFFICER'S MESSAGE

2017 was the year of Sansiri's innovation and As for corporate governance, Sansiri has established organisation transformation, to visionary partnerships, covering the principle of good corporate this was the year that Sansiri harnessed the forces governanceset forth by the Stock Exchange of transform the organisation for sustainable growth. Principles developed by UNICEF, United Nations Sansiri's resolution to inexorably fulfil customers' Global Compact, and Save the Children. To ensure the evolving needs, and the creativity in shaping the way ethical conducts are upheld and carried throughout the we live, work, and play, enabled the recognition by organisation, Sansiri will inform all of our employees the 4<sup>th</sup> consecutive year. The acknowledgement in order to create understanding and foster our reflects the dedication to deliver quality projects, and commitment and guidelines. distinctive brand experience that sets Sansiri apart from other brands.

products and services, aiming to create a seamless living experience, bridging and customising technology to Sansiri Transformation Strategy, we have invested 2,800 Million Baht in 6 visionary organisations. The collaboration illustrates our commitment to synergise capacities in order to innovate product, connect with UNICEF Emergency Fund for children in need around customers across the world, and collaborate to elevate the way we live. Furthermore, Sansiri also conducts Integrated Big Data Analysis of customer information, to deliver tailored products and services in response to customers' needs at an individual level. Sansiri developed Home Service mobile application to offer a full range of services, befitting of the current digital era. It encourages users to adopt the application's digital services to minimise the resource consumption. Simultaneously, Sansiri seeks to promote customers' quality of life through environmentally friendly and innovative project designs, in recognition of climate change. These are all efforts invested to ascertain our customers' perfect living experience.

continuously through the Social Change Programme, level, as well as an international level. In this regard, the world. Sansiri Academy also continues to provide

Finally, Sansiri would like to express our appreciation enabling us to uphold our commitment in social development, and advancing to become the real estate company that, actively and sustainably, contributes values to society.



Apichart Chutrakul Chief Executive Officer

ABOUT SANSIRI

## **VISION**

As the most preferred property developer in Thailand, we strive to be the market shaper of quality living through insightful understanding, complete your

living experience and ability to elevate expectations that enrich our stakeholders.

## **MISSION**

To be an essential part of living; not only providing a home, but also a lifestyle and unique brand experience. We are truly a part of your community and are here to serve today, tomorrow and always.

To act as a one-stop "world-class property services group" in Thailand that provides a fully-integrated range of products and services.

To collaborate with all local and international stakeholders, including shareholders, business partners, employees and communities, in order to create a good life for everyone.

To provide 'best in class' products and services that cover all market segments both in Thailand and overseas.



## Sansiri's Business

Sansiri Public Company Limited operates businesses including real estate development and other related businesses including property services and international investment. The details are as follows.

## Sansiri's Businesses

## **Property Development**



## Property development for sale

includes single-detached house projects, townhouse projects, and condominium projects



## Property development for rent

by investing in commercial building project development and selling the right to lease to customers, and community retail business under the brand "Habito"

## **Property Services**



Property services are operated by Plus Property Co., Ltd.



**Educational business** "Satit Pattana School"



Quintessentially lifestyle consulting service business for individuals and the organisation's customers



Hotel business "Escape Sansiri Hotel Collection" in Hua Hin and Khao Yai



**Events management business** which includes quintessentially weddings in Thailand and overseas

### International Investment



## Investment business in Thailand and overseas

with a focus on businesses related to Sansiri's vision which commits to the importance of future living, including lifestyle, working life, leisure, and learning via new technology and media

(See more details on Sansiri's business on https://www.sansiri.com)

# SUSTAINABILITY REPORT 2017

## Sansiri Overview

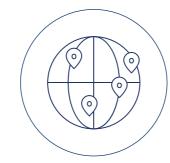
(Data as of on 31 December 2017)



2,008 male employees 1,736 female employees



2,878 full-time employees 866 part-time employees



Operation in 4 countries including Thailand, United Kingdom, China, and Singapore



14 new projects opened in 2017 with the total value of 37,239 Million Baht



Total presales of 38,565 Million Baht



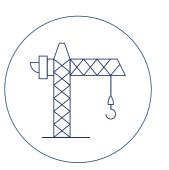
Total revenue of 31,757 Million Baht



Total revenue from property services business of 4,368 Million Baht



5,039 units delivered to customers from 90 projects under property development business, with the total ownership transfer value of 30,984 Million Baht (Including joint-venture projects with BTS Group PCL).



Projects on Hand



39 Single-detached house projects



13 townhouse projects



1 mixed project



35 condominium projects

(See more details in Sustainability Performance chapter, Annual Report 2017, and on https://www.sansiri.com)

## **Business Strategy and Performance**

Sansiri generates business growth based on the strategy of collaboration with business partners, continually expanding the market to potential areas and targeted groups. Sansiri also invests in relevant businesses to strengthen Sansiri's core business of property development with an intent to support the global trends, especially technology and innovation. Sansiri's strategy aims to enhance business growth and strive to become the world-class brand which achieve the consumers' changing needs by creating a global platform for new generation's lifestyle.

In 2017, Sansiri's business strategy has achieved its targets where the Company launched 14 new projects for sale based on the set plan, had 24% sales growth rate compared with 2016, and met the transferred ownership to customers target value of 31,000 Million Baht. The details are as follows.

## Sansiri's Strategy and Performance 2017

**continuously** in order to strengthen and maintain the leader status in the condominium market. In 2017, Sansiri had joint-venture projects with BTS

Sansiri cooperated with business partners Group Public Company Limited (BTS) to open 3 new condominium projects, including The Base Phetkasem 29, The Monument Thonglor, and The Line Sathorn. The total projects value is 12,000 Million Baht.







In addition, Sansiri launched Taka Hause project in Ekkamai in the same year. It is the first project under the joint-venture between Sansiri and Tokyu Corporation.





As a results of the cooperative strategy with business partners in 2017, Sansiri launched 4 new projects with 2 business partners in according to our plan.

a mixed project comprised of single detached

houses and townhouses in Ayutthaya, dcondo

Project expansion to the potential locations. In 2017, Sansiri launched Anasiri Ayutthaya which is

As the Company expected, the projects received positive response, where the total sales of the 4 projects accounted for 58% of the total project value.

Kamphaeng Saen project in Nakhon Pathom, and dcondo Ping in Chiang Mai. There were 3 projects in total in 3 provinces as per determined plan.







## Market expansion targeted on foreign customers

through the regular marketing events overseas. In 2017, Sansiri partnered with Leun Thai Group Limited, which is an international corporation based in Hong Kong operating businesses in retail, real estate, fishery, tourism, logistics, and supply chain in China, Southeast Asia, and Asia Pacific. This long-term partnership aims to support Thai real estate business in China. Sansiri has also opened new sales offices in 3 cities in China including Guangzhou, Shenzhen, and Shanghai. They will serve as a centre of business coordination

with local property agents in each city and support roadshow events which will be held to present potential and diversity of properties in Bangkok, Phuket, and Chiang Mai to the target group. Sansiri currently has six overseas sales offices in China, Hong Kong, and Singapore. In 2017, Sansiri set the sales target from overseas market at 7,500 Million Baht. Sansiri was able to generate sales of 9,300 Million Baht from overseas market which is 24% higher than the target and 72% increase from 2016's sales value of 5,400 Million Baht.







Investment in 6 new businesses with a focus on fulfilling the customers' lifestyle. In 2017, Sansiri supported the organisation's long-term growth

- The Standard: Boutique hotel business
- Hostmaker: Residence booking and renting service business
- Farmshelf: Automatic planting in limited space innovation business which can be controlled via mobile phone application

by investing 2,800 Million Baht in six world's leading technology and lifestyle businesses as follows.

- One night: New hotel booking application business which targets booking on the check-in day
- JustCo: Co-working space business
- Monocle: Printing media business including online media, radio, movies, retail, and service



ONE: NIGHT

HOSTMAKER

JUSE





MONOCLE

## Sansiri's Value Chain

Land Acquisition for Project Development Design Development and Project Preparation

Sales and Marketing Activities Planning **Project Construction** 

Product Delivery to Customers After-Sale Services

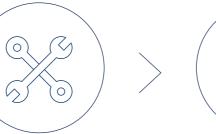
















- Project's Feasibility Study
- Customer Targeting and Competitor Analysis
- Risk Analysis, Related Rules and Regulation Concern
- Project Concept Design and Design Development
- Material Selection
- Permission from Authority
- Project Financing
- Sales Plan and Marketing Activities Planning
- Selling Tools and Marketing
- Media Selection
- Mockup of Show Unit
- Contractor, Construction Management, and EIA Consultant Selection
- Infrastructure Construction, Precast Production, and Housing Construction
- Project Cost Management
- Quality Assurance and Quality Control
- Post-Finance FacilitationProduct Inspection and
  - Rectification

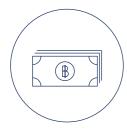
    Transfer Process
- Customer Relationship Management
- **Product Warranty**
- Home Repair Service
- Juristic Person for Property

  Management

SUSTAINABILITY

SANSIRI 2017 HIGHLIGHTS

## **SANSIRI 2017 HIGHLIGHTS**



**Total Revenue** 

31,757 Million Baht



**Net Profit** 

2,825 Million Baht



Invested 2,800 Million Baht

in 6 Innovative and Lifestyle Companies



Total Employee

3,744 People



8.9%

Net Profit Margin



14

**New Projects** 



Established the Business Code of Conduct



156 Million Baht

Supply Chain Management Cost Reduction



24%

**Growth of International Market Sales** 



New 69 Innovative Products



Signed Memorandum of Understanding to Develop Smart Green Energy Community



3 Approved EIA Projects



Resolved All Environmental Complaints



16 Million Baht

invested in Employee Training



560 Employees

Promotion according to Advanced Capabilities



No Lost Time Injury of Employee and Contractor in Sansiri Precast Factory



No Fatality from All Sansiri Operational Area



Resolved All Quality Related Complaints



750 Children

benefited from the Good Space

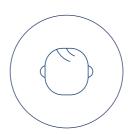


No Safety Complaint regarding Non-complied Legal and Safety Regulation



Average 26.50 Hours

of Employee Training per Year



More than 650 Children

participated in Sansiri Academy

with 9 Million Baht Investment in Total



Sansiri Consecutively Donated to UNICEF

with 233 Million Baht in Total

SANSIRI SUSTAINABILITY

# SANSIRI AND DEVELOPMENT TOWARDS SUSTAINABILITY

In order to be the market shaper of quality living, Sansiri believes that the goal for business growth, along with managing the social and environmental impacts is the key factor for the organisation. Such expectation from all the stakeholders includes positive financial result through an innovation responding to social change, an environmental quality control for project development without an effect to surrounding communities, and commitment to develop human resources and the

society. Therefore, Sansiri manages material economic, social, and environmental issues to strive for sustainability, by means of reviewing these issues in comparison with global trends, sustainability trends in the real estate development industry, and communicating with the stakeholders regularly. This aims to ensure that all of the expectations regarding sustainability issues are identified, managed, and communicated on the performance and operational plan continuously.

## Sustainability Management Structure

Sansiri's mission to achieve the sustainability objectives is under the responsibility of the Corporate Governance Committee. As the highest governing body, the Corporate Governance Committee sets policies, strategies, and communicate the guidelines to the Chief Financial Officer. The Chief Financial Officer then works with the Corporate Planning and Sustainability Development Department to set out development plans, implementations, and communicate progress back to the Corporate Governance Committee. In this regard, the Corporate Planning and Sustainability Development Department will set out

the strategy with relevant Departments to strategically drive for the organisation for sustainable development, including monitoring the performance at an operational level. The support and consolidation of the economic, social, and environmental performance will be directly reported to the Chief Financial Officer and disclosed in the sustainability report to communicate the Company's sustainability performance.

## Mission towards Sustainability

In 2017, Sansiri held a meeting between the Corporate Planning and Sustainability Development Department and other related Departments to discuss the sustainability development strategy. Sansiri has set the economic, social, and environmental goals based on the organisation's value which are expected to be acheived by 2022.

## Sansiri's Values Sustainability Goals 2022 Govern the organisation in All employees work in accordance with regard to business ethics regulations and business ethics. including environmental All suppliers and contractors work in and safety management accordance with regulations and business throughout the supply chain. Integrity All of Sansiri's business units meets the environmental and safety standards. Manage the relationship An increase of customers' satisfaction rate and expectation of in every year. customers to ensure the highest satisfaction, safety, and well-being. **Customer Centric** Analyse and manage risk to All of the significant risks are managed to be at an acceptable level be at an acceptable level. and develop human Sansiri's employees receive trainings as resource's potential to drive planned. the organisation forward. **Forward Thinking** Analyse and develop The projects can fulfil the elderly societal innovation in response to demands and impact from climate change. Develop eco-friendly innovation to reduce the global trends and the consumers' behaviours. 10% of resources utilisation. Innovative Control the quality All of projects which are delivered to throughout the construction customers are certified by quality, materials production and environmental, and safety standards. the project development process to ensure efficiency and sustainability. Precision

## Actions Towards International Sustainability Guideline









Sansiri operates its business towards sustainability in accordance with Children's Right and Business Principle (CRBP), which is developed by The United Nations Children's Fund (UNICEF), UN Global

Compact, and Save the Children. The Children's Right and Business Principles (CRBP) comprises of the following principles.

## Ten Principles of Children's Right and Business Principles (CRBP)



Meet their responsibility to respect children's rights and commit to supporting the human rights of children. business relationships.



Contribute to the elimination of child labour, including in all business activities and



Provide decent work for young workers, parents and caregivers.



Ensure the protection and safety of children in all business activities and facilities.

**Principle** 5

Ensure that products and services are safe, and seek to support children's rights through them.



Use marketing and advertising that respect and support children's rights.



Respect and support children's rights in relation to the environment and to land acquisition and use.



Respect and support children's rights in security arrangements.



Help protect children affected by emergencies.



Reinforce community and government efforts to protect and fulfil children's rights.

(See further details on Children's Right and Business Principle (CRBP) on https://www.unglobalcompact.org/docs/issues\_doc/human\_rights/CRBP/ Childrens\_Rights\_and\_Business\_Principles.pdf)

Sansiri sets out initiatives to support the CRBP such as the breastfeeding rooms, welfares, children safety corner in the project development areas, policy of zero tolerance on child labour, sport coaching for children

via Sansiri Academy, and 1 Million US dollars annual donation to UNICEF emergency fund. The initiatives are demonstrations of Sansiri's commitment to the CRBP.

(See further details on activities to support Children's Right and Business Principle (CRBP) in 2017 in Creating Value to Society chapter.)

In addition, Sansiri plans to develop operation to be in line with the United Nations' Sustainable Development Goals (SDGs). Sansiri will conduct survey on business impact and analyse business opportunities from operations throughout the value chain. The survey outputs will be used to set and prioritise Sustainable Development Goals (SDGs) which are related to Sansiri's operation including goals at the organisational level

Sansiri also plans to conduct stakeholders' engagement and establish communication on the performance continually. Such plans are aimed to ascertain Sansiri's operational commitment towards Sustainable Development Goals (SDGs) and to collaboratively achieve the sustainability goals with the stakeholders. Sansiri expects to initiate this commitment by 2018.

SUSTAINABILITY
DEVELOPMENT IN 2017

## SUSTAINABILITY DEVELOPMENT IN 2017

Sansiri, as Thailand's leading property developer, recognises a business opportunity that arises from the changes in consumers' lifestyle, climate change, and the digital economy. Therefore, Sansiri has invested in innovation development, and increased the organisation's capability to gain advantage from these

business opportunities. The Company has analysed and assessed economic, social, and environmental impacts by studying the best practices from other leading companies in the industry, collaborating with organisations with vision, expertise, and commitment to grow and achieve sustainable goal together.



In 2017, Sansiri has signed a Smart Green Energy Community agreement with BCPG Public Company Limited who operates business of electricity generation from clean energy in Thailand and abroad. The collaboration is a long-term 5-year

plan which started with Sansiri and BCPG having a vision to create a long-term value to the society and environment. Accordingly, BCPG will invest in an electricity generation system from the solar panels on the roofs of Sansiri projects' residents.



Apart from reducing energy costs and increasing the use of clean energy, the approach will also help save the electricity costs in Sansiri projects' common area. The projects' residents will be able to generate and utilise electricity from clean energy. Sansiri will also develop the online electricity exchange platform "Internet of Energy" using Blockchain Technology and mobile phone applications. An implementation plan is expected to be executed

in 2018 and is expected to save Sansiri projects' electricity costs by over 10%. Currently, Sansiri and BCPG have 5 pilot projects, which are Escape Sansiri Hotel Collection in Khaoyai and Hua Hin, Habito Mall Community Retail, Satit Pattana School, and Sansiri's Precast Factory. In addition, Sansiri plans to expand this project to approximately 20 single detached house and condominium projects in the future.



The Smart Green Energy Community cooperation is Sansiri's commitment to prepare for changes and emerging risks in the real estate industry, especially applying technology to reduce the use of fossil energy.

Sansiri will also be able to respond to the stakeholders' expectation via a practical innovation which is a mean to sustainably build a shared value between Sansiri, society, and relevant stakeholders.

INNOVATION

## **INNOVATION**

Due to the rapid changes of customers' needs and behaviours, amidst the social and environmental transformation such as ageing population and climate change, Sansiri anticipates the business opportunities that arises from these changes. Thus, Sansiri commits

to constantly innovate and cooperate with organisations who share vision with Sansiri, and has the potentials to change and shape the way we live, to fundamentally fulfil the customers' needs, in the digital era.

## **Innovation Management**

Sansiri manages its business by integrating innovation throughout the business operation including design process, project development, and customer service. Sansiri appointed the Technology Committee

to establish the policy, and oversee the innovation development and application in the project with the Product Development Department. The innovation management objectives are as follow.

## Sansiri Innovation



**Design Process Innovation** 



**Product Design Innovation** 

Develop the design quality to fulfil different customer groups' needs efficiently and up-to-date.

Develop products for construction quality, and exquisite living to satisfy the residents' needs.



Service Innovation

Create the residents' living experience through innovation such as mobile phone applications, plastic bottles recycling, renewable energy for electric cars, and the project's common area. Sansiri commits to develop and provide innovative solutions in the projects to meet the residents' needs. In 2017, Sansiri allocated about 50 Million Baht to invest in research and development (R&D) focusing

on innovation which offers convenience and enhances the residents' well-being, while making a positive contributing society and the environment. This aims to support Sansiri's residents' quality lifestyle.

## **Innovation Development 2017**

## 50 Million Baht

investment in R&D and innovation for living, healthcare, construction, and lifestyle.

## 22 innovation projects

implemented.

## 2 innovation projects

under research and development process.

## Innovative Projects

Sansiri has 22 projects with innovative features which satisfy customers' and residents' needs in 2017. This is based on Sansiri's three innovation

management objectives. This year, Sansiri focused on product design innovation and service innovation.

 $(See \ details \ of \ design \ process \ innovation \ BIM \ in \ Sustainability \ Report \ 2016 \ on \ https://www.sansiri.com)$ 

renewable energy for electric cars, and the project's common at

43

# Product Design Innovation Project

Sansiri establishes a concept to proactively develop the product design responding to the global trends and the customers' changing needs. This aims to

strive for a leading property development organisation in innovation.

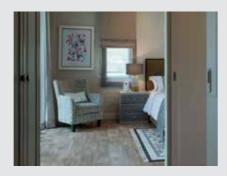
## **Elderly Care Design Solution**

In 2017, Sansiri cooperated with Samitivej Hospital to design projects and common area to offer Burasiri Rangsit, Burasiri Watcharapol, Baan Plai convenience to the elderly and promote quality of life for all the residents. Currently, there are 4 projects

with the Elderly Care Design Solution, including Haad Pattaya, and Setthasiri Wongwaen - Lamlukka.







The extra space in the house and Bathrooms' slide doors are installed Absorption floors with a wood-like the reduced elevated floors support to accommodate the elderly's easy surface and comfortably warmth wheelchairs use in the bedroom use. and bathroom.

even with cool weather are installed.







The common area for the elderly has a slope path with a suitable slope material appropriate for wheel chairs. The slope positions are connected to the main entrance.

The bathrooms are designed based on the Inclusive Design degree level which was built from principle which supports the elderly or wheelchair use.

#### **Smart Furniture**







Sansiri designed Smart Furniture to maximise storage space, while enhanced flexibility and space utilisations, such as drawers which can store items more orderly and foldable beds which can store

items underneath. The current projects which are using the Smart Furniture are The Line Phahol -Pradipat, The Line Sukhumvit 71, The Line Sukhumvit 101, and the Line Asoke - Ratchada.

SUSTAINABILITY REPORT 2017

## **Educational Playground**

Sansiri collaborated with paediatrician from Samitivej Hospital to design the Educational Playgrounds. The playgrounds aim to support physical development, motor skills, decision-making skill, and problem-solving skill through games which help children practice stepping, climbing, tiptoeing, and jumping. Sansiri checks hygiene and safety of the playgrounds in

each project every year. The projects which currently have educational playgrounds include The Line Jatujak – Mochit, The Line Phahol – Pradipat, The Base Petchkasem 29, Setthasiri Krungthep Kreetha, Setthasiri Pinklao – Kanchana, Kanasiri Rangsit Klong 2, and oka HAUS.



(See more details on design process innovation project Cooliving Design in Low-carbon Society chapter.)

# Service Innovation Project

## Home Service Application



Home Service Application is a mobile phone application to accommodate customers and residents before the project delivery and after residing periods which includes construction status tracking, payment instalment notification, mail delivery notification, online product purchasing, furniture moving request, cleaning request, repair request, and common area booking such as meeting rooms. It can also control the lighting system and air conditioner in the project or unit.

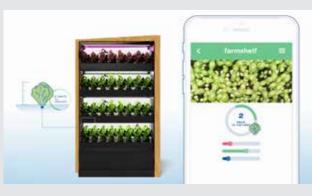
(See more details on Home Service Application on https://www.youtube.com/watch?v=oHavBoEaN3A)

## SAN: DEE Delivering Bot



Sandee is delivering robot which can be controlled via Home Service Application. When there is a mail delivered, the application will notify the resident. Sandee is equipped with the projects map and direction memory system, travelling at the speed of 1.5 metres per second, and can store items up to 80 kilogrammes. Sandee will contact the mail owner to enter the code when the mail is successfully delivered.

(See more details on Sandee Delivering Bot on https://www.youtube.com/watch?v=xYLLW-BDpDE)



#### Smart Move Electric Car



Smart Move is an electric car for rent in Sansiri projects. The residents can book and unlock the car via Home Service Application. After finish using the car, the residents can park it at the charging station for other residents.

Farmshelf is an automated planting innovation via Home Service Application which can plant more

than 50 types of vegetables without soil (Hydroponic) for convenient growing and consumption in the

residence. The application will notify residents when the vegetables are ready for consumption which

helps keeping the vegetables fresh and reduce the

(See more details on Farmshelf on https://www.youtube.com/ watch?v=EXu\_I-h\_D34)

chance of spoilage.

(See more details on Smart Move Electric Car on https://www.youtube.com/ watch?v=WQoS2iqUjXc)

## Samitivej @ Home



Samitivej @ Home is a wearable device to wear on a wrist which Sansiri has developed with Samitivej Hospital to track residents in the case of falling, unusual moving, or for individuals with Alzheimer's. There is also an emergency button to request immediate assistance to a hospital, family, and juristic person.

(See more details on Samitivej @ Home on https://www.youtube.com/ watch?v=gMgkReFcfpY)

## Sansiri Al Box



Thai language and connected to Home Service Application. The functions include an air conditioner system control, lighting control, mail tracking, common room status checking, weather condition checking, and daily news checking.

Sansiri Al Box is a system controlled by voice in

(See more details on Sansiri Al Box on https://www.youtube.com/ watch?v=xotwacdhHsc)

## Other Innovation Projects

## Co-Kitchen Space



Sansiri designed a Co-Kitchen Space with quality kitchen tools for residents to utilise and socialise with other residents. The projects with Co-Kitchen Space include The Line Sukhumvit 101 and The Line Phahol – Pradipat.

#### **Underwater Music**



Sansiri designed underwater music to build sound sensing and entertainment for residents while swimming or relaxing at the swimming pool. The project with underwater music includes The Line Sukhumvit 71.

## Personal Parking Space



Sansiri collected the data on customers' needs combined with service innovative thinking to design the parking space. The parking space was designed to allow different types of cars to park conveniently as it is more spacious than normal parking space. There is also a lighting system as if it is a residents' personal showroom. This parking space design presents a new experience beyond an ordinary parking space for Sansiri residents. The project with personal parking space is 98 Wireless project.

#### Panoramic View Fitness



Sansiri designed the project's fitness view to be transparent, and panoramic enabling residents to see 360 degrees of the nature's view for leisure during an exercise. The projects with the fitness room with 360 degrees view include Mori Haus, Burasiri Sanphisuea, The Base Height Phuket, Setthasiri Wongwaen - Lamlukka, The Base Petchkasem 29, Setthasiri Krungthep Kreetha, Burasiri Wongwaen -Onnut, and the Base Height Mittraphap - Khonkaen.

## **Self-Cleaning Tiles**



Sansiri developed an self-cleaning tile which has an oily surface, making it difficult for dust and dirt to stick to, and easier to clean. It also solves the tile colour fading problem. The project which has self-cleaning tiles is Setthasiri Pinklao - Kanchana.

#### Joint Venture for Innovation



Sansiri launched Siri Ventures which is a joint venture with the Siam Commercial Bank (SCB) to conduct research and invest in Property Technology (Prop Tech) at a full scale as the Thailand's first Prop Tech company. Siri Ventures focuses on offering an opportunity to startup group in developing innovative concepts related to residence lifestyle to be successful and practical. It also incorporates Financial Technology (FinTech) to be jointly developed.

# SIRIVENTURES

Siri Ventures has the initial registered capital of 100 300 new innovation developers by 2020, promote group, inventors, producers, and startup businesses. Siri Ventures goal is to build a network with at least

Million Baht to invest in technology and new products 
Thailand's property innovation to be at the global development in collaboration with a researchers level and support the core business to grow sustainably.

#### Missions of Siri Ventures



Develop technology and innovation for property and living experience, starting in Thailand and Singapore.



Increase the potential of Home Service Application for Sansiri residents to offer comprehensive lifestyle services and expand to serve broader market.



Drive Thailand's startups in Prop Tech (Property Technology Accelerator) which have potential for investment.

In addition, Sansiri also plans to develop other innovations in the future in order to reduce energy

consumption and waste generation along with promoting residents' quality of life in Sansiri projects.

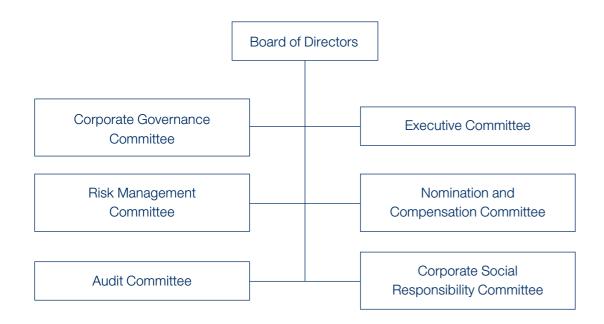
CORPORATE GOVERNANCE
AND BUSINESS ETHICS

# CORPORATE GOVERNANCE AND BUSINESS ETHICS

Sansiri operates business under an ethical framework and transparency based on good corporate governance, which aims to deliver a greater quality of life for all stakeholders, including customers, business partners, employees and societies. In this regard, Sansiri has the competitive advantage in conducting business and creates long-term values to shareholders as well as striving for a sustainable property development industry.

## Organisational Governance Structure

## Sansiri Public Company Limited's Board of Directors



Sansiri's business governance consists of 10 directors, of which are 5 independent directors; 2 non-executive directors; and 3 executive directors. The Chairman of the Board of Directors is an independent director and the roles of the Chairman of the Board of Directors and the President of the Company are clearly separated, in order to ensure the balance of organisational governance.

The Board of Directors is responsible for overseeing the Company's business process including, setting the Company's policies, monitoring progress and result. The Board of Directors also collaborates with senior executives to establish the Company's goals and objectives, and the resolutions of shareholders' meetings under an ethical framework of business operations.

(See further details on governance structure in the Annual Report 2017 and on https://www.sansiri.com)

## Responsibilities of Board of Directors and Executive Committee

Audit Committee	<ul> <li>Support the Board of Directors on duties related to financial reports, internal control and audit system in accordance with regulations, and good corporate governance policies.</li> </ul>
Nomination and Compensation Committee	Nominate and appoint directors according to regulations and process based on the regulations, including ethics, leadership, and vision.
Corporate Social Responsibility Committee	<ul> <li>Assess policies and oversee operations on corporate responsibility towards the society, community, and environment</li> <li>Appoint a taskforce to support activities and campaigns on responsibility towards the society, community, and environment.</li> </ul>
Risk Management Committee	<ul> <li>Assess policies, strategy, and measures on enterprise risk management</li> <li>Oversee, monitor, and exchange information with the Audit Committee and the organisation's internal audit unit</li> <li>Assess business operations of the executive department</li> </ul>
Corporate Governance Committee	<ul> <li>Set out policies on good governance and sustainability development.</li> <li>Ensure operations in compliance with good governance principles and business ethics, in accordance with the guideline from the regulator.</li> </ul>
Executive Committee	<ul> <li>Devise business strategy and organisational structure, and course of action</li> <li>Direct business operations in accordance with the business policy and budget set out by the Board of Directors</li> <li>Monitor and evaluate results and outcomes of the business plan</li> <li>Prepare materials to present to the Board of Directors.</li> </ul>

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process is also taken ethics, leadership, vision, and independence regardless of gender, nationality, or

religion into account to ensure equality and maximum benefit for Sansiri and shareholders. Sansiri is in the process of developing a Committee's performance evaluation and preparing a Board Skill Matrix to assure that the Committee conduct Sansiri's business efficiently.

### Training programmes for Board of Directors, executives, and employees

To ensure the Board of Directors, executives, and employees have knowledge and capability to operate business competently and efficiently, the Company has set a goal for the directors aiming to have fundamental

Sansiri's Board of Director is selected and appointed

by the Nomination and Compensation Committee by

taking into account the expertise, experience, and

ability to mobilise Sansiri's business forward according

to the Director's Handbook. Moreover, the nomination

knowledge of business ethics, corporate sustainability, and risk management, etc. Both internal and external training programmes were conducted for 231 Board of Directors, executives and employees.





- "Corporate Sustainability Workshop" was conducted internally with 59 people attended the workshop.
- "Anti-corruption Policy" training course was conducted internally for 2 sessions where 167 people attended the training course.

#### Thai Institute of Directors

- "Anti-corruption: The Practical Guide" training course for the organisation's employees from the anti-corruption unit was conducted by Thai Institute of Directors. 2 people attended the training course.
- "How to Develop a Risk Management Plan" training course for executives at all levels who have a responsibility related to risk management planning was conducted by Thai Institute of Directors. 3 people attended the training course.

## **Business Ethics**

In 2017, Sansiri established and implemented the Corporate Governance and Code of Conduct. The objective is to establish Sansiri's ethical standard in business operations, and support good practices across the organisation's business process. The Code of Conduct contains the Stock Exchange of Thailand's corporate governance guideline, anti-corruption policies, Sansiri's corporate governance policies, and practices towards all the stakeholders. All of Sansiri's

employees and subsidiaries must be informed of the business ethics and strictly comply with the Code of Conduct. Sansiri has communicated the Code of Conduct to all the stakeholders via e-mail, intranet, and the Company website. In addition, Sansiri plans to conduct training programmes for employees, suppliers, and contractors regarding business ethics in order to strengthen Sansiri's integrity and organisational culture.

(See further details on corporate governance policies and how to comply with good corporate governance principles in the Annual report 2017 and details on corporate governance on https://www.sansiri.com)

## Sansiri's Business Ethics





Perform duty with transparency, conduct business in compliance with relevant regulations and review business ethics annually.



#### **Unfair Competition**

Conduct business in compliance with the law and regulations. Conduct business in respect to local culture and tradition.



#### Executive's and Employee's Ethics

Perform duty according to the organisation's vision to ensure the maximum benefit of Sansiri



Group and all the stakeholders.



## Conflict of Interest

Refrain from any acts that may cause a conflict of interest with Sansiri Group.



#### Anti-Corruption

Prohibit bribery of goods and any benefits, donation or financial support, political favour, business relationship, and procurement.



## **Customers Treatment**

Treat customers with integrity. Efficiently manage organisation's information system to customers' information and privacy.

#### Sansiri's Business Ethics



## **Human Rights**

Treat stakeholders in accordance with The Universal Declaration of Human Rights (UDHR) and Children's Rights and Business Principle (CRBP).



## **Environment, Occupational** Health and Safety

Manage, improve and develop business operations to control and minimise the impact on environment, occupational health, and safety.



## Information Management and Information Technology System

Record and report information accurately based on facts, including systematically and safely manage information and important documents.



## Prevention of Insider Trading

Prohibit individuals from Company's confidential inside information to seek personal gains.



## Intellectual Property

Protect and maintain the organisation's intellectual property from being violated or distributed without permission.



## **Contract Partners** Treatment

The Company or individuals must register in an Approved Vendor List according to Sansiri Group's process.

(See further details on Corporate Governance Code of Conduct on https://www.sansiri.com/pdf/SustainabilityReport/ 02-corporate-governance-and-code-of-conduct-TH.pdf)

## **Anti-Corruption Policies**

Corruption risks from Sansiri's project operation can potentially affect the Company's reputation, and trust of shareholders and the stakeholders. Therefore, Sansiri has set an internal control measure to ensure that all the important stages of operation are in compliance with the regulations of Sansiri's project development handbook with transparency. Sansiri will start conducting training programmes on anti-corruption policies to all the employees, suppliers, and contractors in 2018 onwards.

## **Anti-Corruption Policies**

In 2017, Sansiri started implementing the anti-corruption policies which cover all of Sansiri's business operational

activities. The directors, executives, and employees at all levels must comply with the policies.



## Receiving goods or any benefits

Prohibit employees to accept goods or any benefits from all the stakeholders. For example, gifts, funds, meals, donation, etc.



## Giving goods or any benefits

Provision of goods or any benefits given out must be less than 3,000 Baht and can only be done during festivals and in compliance with legal traditions with a prior approval.



## Financial donation for charity or financial sponsorship

Provision or acceptance of financial support, donation, funds, sponsorship, or charity must be accountable, transparent, not complicit to bribery.



#### Political favour

Conduct business with political neutrality. Withdraw from supporting politicians, political parties, or politically influential individuals directly or indirectly.



## Business relationship and procurement

Prohibit employees to give or accept bribe from suppliers, contractors, or any organisation including public sector and private sector. Conduct business with transparency and in compliance with the law.

(See further details on anti-corruption policies on https://www.sansiri.com/pdf/sustainability/01-Sansiri-Anticorruption-Policy-TH.pdf)

### Corruption Risk Control



## High Rise Project Development Department and Product Development Department

Responsible for selecting EIA consultants, and overseeing the operations of project development to meet the quality and in compliance with the law.



# Government Affairs Department

Responsible for checking accuracy and completeness according to a document check list or evidence and act as a coordinator to prepare documents to be submitted to government offices.



## Internal Auditing Unit

Responsible for the audit process and documentations, including checking operation process of the Government Affairs Department compared to an internal operation handbook.

Sansiri joins a declaration of intent of Collective Action Coalition (CAC) of Thai private sector in Private Sector Collective Action Coalition Against Corruption Council

In 2017, Sansiri declared its intention to join The Collective Action Coalition (CAC) of Thai private sector in Private Sector Collective Action Coalition Against Corruption Council. The CAC aims to encourage leaders in business sector to tackle corruption, including pushing for the public sector to improve working process to be transparent and supporting the conduct of business operations without monopoly and corruption.

In addition, Sansiri announced an implementation of anti-corruption policies, and built a system to prevent all forms of bribery and corruption (Anti-Corruption & Bribery Procedures Standard Setting). This is a collective action with companies in business sector to cooperate with public sector, civil society, and international organisations to mobilise an implementation of anti-corruption measures, information disclosure, and business operation standard setting which emphasises on competition with transparent market mechanism.

(See further details on Thai private sector's Collective Action against Corruption (CAC) on http://thai-cac.com/en)

## Whistleblower

Sansiri supports a reporting of suspected misconduct and illegal acts (Whistleblower Policy). Stakeholders can report the details and evidence of any wrongdoing, suspect, or violation of Sansiri's Corporate Governance Policy, Code of Conduct, and regulations to the provided

channels. Sansiri will proceed with an appropriate investigation process accordingly and will ensure the protection of information of the whistleblower and restrict to only those responsible for the matter to conduct the investigation.

## Contact Channels for Enquiries, Report of Wrongdoings, or Complaints



In 2017, there was no complaint regarding corruption and violation of Sansiri's Corporate Governance Code of Conduct.

RISK AND CRISIS
MANAGEMENT

# JSTAINABILITY REPORT 201

## RISK AND CRISIS MANAGEMENT

Sansiri recognises the importance of risk and crisis management in order to operate with stability and continuation, and to achieve the organisation's goals.

The Company analyses the emerging risks and establishes measures to prevent and manage the risks and unusual situations that may arise in the business.

## Risk Management

## Risk Management Policy



Risk management to be integral with corporate governance, planning, and reporting process both at an operational and strategic level.



Risk management to be integral in key decision-making process prioritisation.



Establish corporate-wide risk management standard. Review, examine, and set management measures for emerging or changing risks.



Risk management to be an essential tool to enable the organisation to achieve its objectives, and continuously improve the operation process.



Risk management to be integral with uncertainty control and management system, to increase the chance of receiving returns, or reducing the chance of loss.



Ensure risk management operate with accountability and transparency. Risk owners must participate in the risk assessment process.

The Risk Management Policy establishes the direction and develop appropriate plans and procedures to the entreprise risk management. Through the risk management initiatives formed by the committee level to the operational level. Initiatives are categorised into

4 types consist of strategy, finance, operation, and regulatory compliance. The operation plan and risk management measures were set to systematically manage risk to be within the acceptable level.

(More details on Sansiri's risk management in an annual report 2017 and on website https://www.sansiri.com)

## Sansiri's Risk Management Structure



#### Risk Management Committee: RMC

Sets policies, plans and review Sansiri's risk assessment result annually in accordance with the details in the Risk Management Committee charter.



#### Corporate Planning and Risk Management

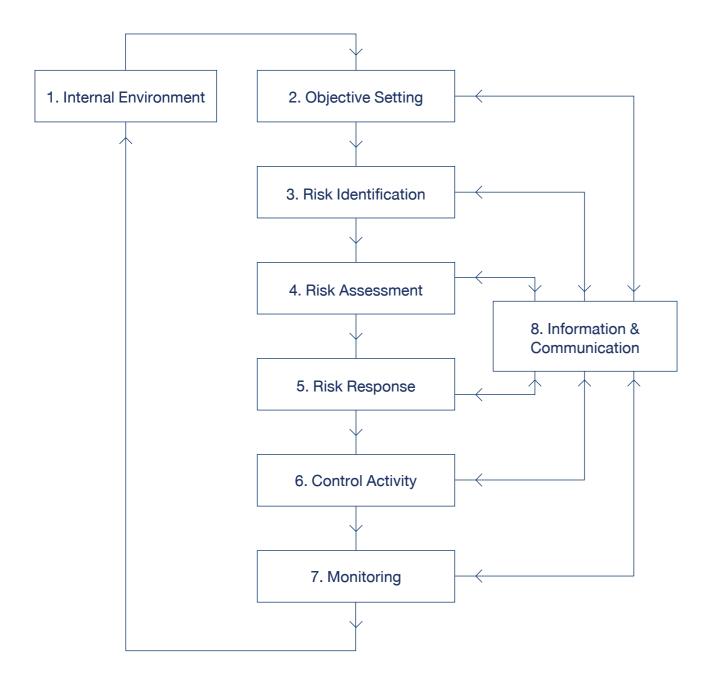
- Collect, assess, and manage risks throughout the operational process in collaboration with the top management in each work stream and Department.
- Support operation of the Department based on the plan and follow up on the performance periodically.



#### **Sub-Risk Management Committee**

- The Sub-Risk Management Committee comprises of Project Development Department, Project Support Department, Legal Department, Finance Department, Accounting Department, and Corporate Planning and Sustainability Development Department.
- Assess risk in order to form risk management strategy and appropriate measures, and ensure that Company's risk still in the acceptable level (within risk appetite level)
- Establish the action plan and distribute it to relevant Departments.
- Assess the enterprise and project development risk such as strategy, operation, finance, regulations, external environment, and society throughout the project's life cycle, as well as relevant activities.
- Report the performance to the Risk Management Committee every 6 months.

## Sansiri's Risk Management Process



## Sansiri and Emerging Risk Management

Sansiri assesses risks by taking the external and internal factors into consideration. Global trends such as the increasing number of middle-class and the elderly population, fast-developing innovation, and climate change are emerging risks that has potential to undermine the Company's competitiveness; from being unable to develop projects that meets the customer groups' needs, to innovation shortage to supports the project in adjusting to the more severe climate condition, etc.

In 2017, the emerging risk issues which Sansiri expects to have an impact on future business operation include losing an innovation competitiveness to support the residential projects. Sansiri established the measure to manage the risk by setting out a plan and developing a residential innovation (Life Tech). As Sansiri understands the actual needs of residents, Life Tech aims to apply technologies such as an intelligent system to empower users to interact and gives orders to home appliances, mail delivery robots, face recognition technology for security system, and other environmental innovations.

(See more innovation details in Innovation chapter, Low-Carbon Society chapter, and Tenant and Resident Health, Safety and Well-being chapter.)

Sansiri plans to conduct a workshop with the executives at all levels to establish a corporate and departmental risk profile in 2018. Key Risk Indicators (KRIs) will be

applied as a tool for potential risks monitoring and to reflect the efficiency of the risk control system in the organisation.

## **Unusual Situation Management**

Sansiri has an unusual situation management process in place to mitigate the impact on cost and reputation, prevent the situation escalate into a crisis, and ensure business continuity. In this regard, Sansiri manages unusual situations by categorising the situations based on the severity and a number of people involved.

In 2017, 190 complaints in total were collected via the call centre system. Out of these complaints, 16 were incidents related to home quality, repair work quality, and property management by Juristic Persons. All of the complaints were forwarded to the Incident Management Team (IMT) to check and find resolutions. Sansiri was able to manage 8 of the incidents based

The responsible units are the Call Centre Unit, Social Media Committee (SMC), Incident Management Team (IMT), Business Continuity Management Team (BCMT), Emergency Response Team (ERT), and Crisis Management Team (CMT).

on fact checking to investigate a cause of the problem and provide solutions, as well as find a way to prevent the same event from occurring again. For the remaining complaints, they are on process to find solutions, which Sansiri communicates the progress to the relevant parties continuously.

## Risk and Unusual Situation Management Training



In 2017

## 190 COMPLAINTS

collected via the call centre system





Out of these complaints were incidents

## 16 COMPLAINTS

related to home quality, repair work quality, and property management by Juristic Persons. All of the complaints were forwarded to the Incident Management Team (IMT) to check and find resolutions.

Sansiri was able to manage

## 8 COMPLAINTS

based on fact checking to investigate a cause of the problem and provide solutions, as well as find a way to prevent the same event from occurring again.

(See more innovation details in Innovation chapter, Low-Carbon Society chapter, and Tenant and Resident Health, Safety and Well-being chapter.)

# Risk and Unusual Situation Management Training



In 2017, Sansiri conducted 12 risk and unusual situation management trainings in total for executives and employees in order to give knowledge, create an understanding, and enable an awareness of the

importance of risk and unusual situation management. There were 213 participants in total, which is 92% compared to the set goal of 234 participants.

SUPPLY CHAIN MANAGEMENT

#### SUPPLY CHAIN MANAGEMENT

Sansiri's supply chain management focuses on managing suppliers and contractors to control costs, and the economic, social, and environmental impacts of the organisation. Sansiri's supply chain management is a collaborating work between the Project Procurement Department, suppliers, and contractors under the principles prescribed

in Sansiri Supplier Code of Conduct. The Code of Conduct includes respect of human rights, support safety in operations, environmental impact reduction, and innovation support all of which are the foundation for sustainability in the Company's supply chain.

#### Supplier Code of Conduct

In 2017, Sansiri has established the Sansiri Supplier Code of Conduct, with the commitment to improve the suppliers' and contractors' operational standard regarding social, environment, and good governance which covers the important criteria as follows.

#### Sansiri Supplier Code of Conduct



#### **Business Ethics**

Conduct business with integrity and fairness. Prohibit any actions that may cause a conflict of interest. Keep internal information secure. Do not violate intellectual property rights. Disclose information transparently and conduct transactions with transparency. Support the process of sustainable business development.



#### **Human Rights and Labour**

Zero-Tolerance Policy Against Child Labour. Treat employees with fairness and in accordance with an applicable law. Do not perform activities related to forced labour or human trafficking.

#### **Quality Management**

Comply with Sansiri standards and processes regarding quality management in products and services delivery. Be cooperative in monitoring and correction of an error.



#### Occupational Health and Safety

Manage occupational health and safety at sites during an emergency or unusual situation based on regulations and safety standards.



#### Environment

Reduce environmental impact and adapt business practices in respect to climate change.

(See more details on Sansiri Supplier Code of Conduct on https://www.sansiri.com/pdf/SustainabilityReport/03-supplier-code-of-conduct-TH.pdf)

Sansiri has set a goal for all the Tier 1 suppliers and contractors to acknowledge and comply with Sansiri Supplier Code of Conduct by 2018. Sansiri aims to provide training for suppliers and contractors to increase the operational capabilities in accordance with Sansiri Supplier Code of Conduct and establish supplier and contractor assessment plan by 2018 – 2019.

In addition, Sansiri has set out a Zero-Tolerance Policy against Child Labour which is included in Sansiri's contracts with suppliers and contractors who have been conducting business with Sansiri since 2012. Sansiri also has a policy to reward suppliers and contractors who operate business efficiently.

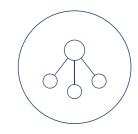
#### Anti-Child Labour Guideline



Comply with labour protection law and child labour law.



Protect children
from abuse, violence, torture,
and exploitation.



Ensure that suppliers' subsidiaries and affiliated companies are strictly complied with this policy.

#### Sansiri's Supply Chain Management

#### Objectives of Supply Chain Management

Sansiri manages suppliers and contractors in the supply chain to achieve the following objectives.



Control cost of project development.



Maintain quality, social, and environmental standards delivered by contractors



Develop innovation and technologies with business partners that are environmental friendly.

Sansiri's supplier and contractor procurement process is collaborated by the Project Procurement Department, Product Development Department, Project Development Department, Quality Control Department, Customer Relations Department, and Home Care Department in the form of supplier registration. The selection of suppliers and contractors is based on the criteria of capability, quality of products and services, production source,

inspection result, and bidding. Suppliers and contractors are informed about regulation details of social, environmental, and governance factors in business operations in accordance with Sansiri Supplier Code of Conduct in order to provide a signature of acknowledgement and strictly comply with the regulation. Sansiri plans to identify critical suppliers according to the criteria of spending analysis and non-substitutable supplier by 2018.

#### Sansiri's Suppliers and Contractors 2017



400 suppliers and contractors in total.



Over 150 suppliers and contractors participated in the bidding process.



100 suppliers and contractors
who registered with Sansiri this year.



80%
of business
transactions
were done with local
suppliers and
contractors
(Thai companies).

#### Cost Reduction from Bidding in 2017

Supplier selection from the bidding process has reduced the procurement cost by 156 Million Baht, which is more target of 145 Million Baht.



Sansiri's Project Procurement Department and Project Development Department conduct a performance assessment of suppliers and contractors twice per year, during and post-construction process. The performance assessment is based on multiple indicators such as product quality, installation quality, warranty conditions, and coordination with Sansiri. The suppliers

and contractors who passed the assessment criteria are rewarded with incentives in order to maintain consistent quality of products or services delivery. Sansiri aims to improve precision and efficiency of the assessment through the use of an online assessment platform, which is expected to be completed in 2018.

#### Supplier Assessment Criteria



Product delivery on time with the project plan.



Product standard. projects, and result of safety assessment throughout the trial period.



Problem Resolution's speed and efficiently.



After-sales service is align with Sansiri standard.



Number of complaints from customers are within the acceptable level.

#### **Project Procurement Award 2017**

Sansiri held an award ceremony for suppliers who have outstanding quality performance (Sansiri Quality Awards) according to service categories. The awards were gift vouchers to stay at Escape Hotel Khaoyai, were divided into Diamond Partner and Gold Partner awards. In 2017, suppliers who were operating in 18

Sansiri's projects out of 62 projects that were under construction participated the ceremony. The awards with the total value of 300,000 Baht.

#### Suppliers in Delivery and Installation Category

#### Diamond Partner Award

Awarded to Modulum Co., Ltd. for excellent performance in delivering and installing aluminium in Setthasiri Pattanakarn Project, Burasiri Tiwanon Project, Burasiri Rangsit-Pathumthani Project, and Siri Avenue Charoenkrung Project.

#### Gold Partner Award

Awarded to Mitsubushi Elevator (Thailand) Co., Ltd. for good performance in delivering and installing passenger lifts in The Monument Sanampao Project, The Line Jatuchak-Mochit Project, and The Line Ratchathewi.

#### Suppliers in Product Delivery Category

#### **Diamond Partner Award**

Awarded to Airco Co., Ltd. for excellent performance in delivering air conditioners in Kanasiri Wongwaen-Lamlukka Project, Setthasiri Lamlukka Project, and Burasiri Rangsit-Pathumthani Project.

#### Gold Partner Award

Awarded to Pen K Inter Trading Co., Ltd. for good performance in delivering kitchen appliances in Burasiri Thakham-Rama II Project and Setthasiri Krungthep Kreetha Project.

#### **Outstanding Contractors Award 2017**

In 2017, Sansiri held an award ceremony for outstanding contractors on Sansiri Quality Day. The awarded contractors were entitled to a retention fee discount and gift vouchers to stay at Escape Hotel Khaoyai,

with the total value of 300,000 baht, in order to motivate an improvement of the project quality. Accordingly, a total of 20 contractors received the award.



Contractors received Diamond Quality Award



Contractors received Gold Quality Award



Contractor received award for excellent after-sales service for single-detached house



Contractor received award for excellent after-sales service for townhouse



Contractor received award for excellent after-sales service for condominium

## Innovation in Supply Chain

Sansiri commits to the development of supply chain innovation, both in business operation and product development by supporting new suppliers whom

can offer innovative products that align with Sansiri's expectations or able to apply innovation to develop the procurement system to operate efficiently.

#### **Innovative Products Suppliers 2017**

Sansiri supports SME suppliers' products presentation in order to increase the chance of purchasing innovative products. In 2017, there were 11 registered suppliers new innovative products.

who delivered innovative products, higher than the target of 8 suppliers. Consequently, there were 69

#### Smart Home System



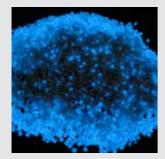
is determined as a standard of control system in Sansiri house, townhouse, and condominiums for controlling the in-house electric system and air conditioners.

#### **Smart Mailbox**



or mailbox where residents can open and close via a smart phone conveniently and quickly. Smart Mailbox is used in The Line Jatuchak-Mochit Project and The Line Wongsawang Project.

**Eco-Chips** 



or glowing resin flakes for running and bike riding which are used in dcondo Kampaengsaen Project.

#### Igloo Home



or Digital Door Lock which are used in Oka Haus Project, The Line Sathorn Project, and Kawa Haus Project.

(See more details on innovative products in Embracing Innovation chapter.)

#### **Procurement System Innovation**

In 2017, Sansiri established an Innovation Procurement unit responsible for procuring innovative products. It is also responsible for analysing the customers' changing needs and global trends in order to set out the

procurement plan for innovative products, which can fulfil the customers' needs in the future, and sourcing innovation that can support the business operation in the organisation as well.

#### Online Product Purchasing

In 2017, Sansiri developed the Home Service application to provide a mobile platform for all of Sansiri's residents in the projects namely The BASE Chaengwattana, The Line Wongsawang, The Line Prahol-Pradipat, The Line

Asoke-Ratchada, and Mori Haus to order and purchase Samsung appliances online. The application also allows for the purchasing of furniture from SB Furniture as well.

CUSTOMER RELATIONSHIP

MANAGEMENT

## **Customer Relationship Management**

Establishing a strong customer relationship is the foundation for building customers' trust, increasing the business competitiveness, and forwarding the impression to new customers. Sansiri manages the customer relationship through special privilege

programmes which are serviced by experts who understand the customers' needs. The customers' opinions will be incorporated in the business strategy in order to deliver services which continually fulfil the needs of customers.

#### Responsibility in Customer Relationship Development

Sansiri maintains and proactively develops the a collaboration of relevant Departments to deliver high relationship with customers and residents through

quality of services as follows.

#### **Quality Service Delivery Responsibility**



Sales Department

Facilitate house or room gallery visit, provide information to those interested in the project and support the contract process.



**Property Management** Residential Department

Manage the project's residential quality and after-sales service for the customers during the responsible duration.



**Customer Relations** Department

Provide information regarding payment instalment, product inspection, ownership transfer and advise on mortgage loan.



Home Care Department

Provide repair service for houses and projects, and advise on home maintenance to residents.



**Property Care** Department

Provide information, manage International Buyer and support the maintenance fee payment via an automatic deduction from bank accounts.



#### Service Development Department

Conduct trainings for sales officers, customer relations officers, and community retail and hotel officers regarding customer service, financial transaction and suggestion on juristic person.

The efficiency of collaboration process between relevant Departments for service of excellence is assessed as follows.

#### Service Quality Monitoring

Sansiri conducts a quality assessment on services to customers and those who are interested in the projects. The assessment results and data are incorporated in an operation development plan in

order to improve and expand the satisfaction assessment system to all the relevant Departments, namely Service Development Department (SD) and Property Management Residential (PMR).



The Call Centre Department is assessed via an automated system after the service is concluded.



The Call Centre Department contacts customers to collect the individual satisfaction data

regarding services received from all Departments in the form of customer satisfaction score.



The Service Development Department assesses the sales officers' services to ensure the maximum satisfaction for

customers.



The Research and Plus Strategic **Development Department** assesses the satisfaction of products and services via Customer Satisfaction Index (CSI).

#### Customer and Resident Relationship Development Commitment

Sansiri manages the customer relationship in every service channel. Sansiri ensure that the provision of project and sales information, customer's inquiries, and other services are conducted efficiently in the relationship with customers.

order to deliver a reliable service with a unique brand experience. Sansiri establishes the service efficiency assessment process in order to continuously develop

#### Sansiri Touch Point

#### Sansiri Lounge



Customers are privilege with Sansiri Lounge on the 3<sup>rd</sup> floor of Siam Paragon Department Store. The pleasurable services includes snacks, beverages, and Wi-Fi. Sansiri officers are also present to help answering any questions regarding Sansiri's projects.

(More information on Sansiri Lounge at 0-2610-9207-9)

#### Sales Office



Customers can visit a project's house and room gallery which the Sales Department and Customer Relations Department are prepared to ensure that any visiting customers receive key information to make the decision to purchase the project.

#### Sansiri Live Chat



Sansiri customers and residents can send instant message to Sansiri Online Assistant via an online chat system at https://www.sansiri.com

#### Call Centre



Sansiri customers and residents can contact Sansiri Call Centre for inquiry or give comments regarding Sansiri's employees at 1685.

#### Community Retail



Sansiri operates a community mall business under the brand Habito Mall to serve as a leisure spot and accommodate Sansiri customers who reside in the surrounding area. The mall provides various shops and convenient stores for convenience of all the family members.

(See more details on the community retail on https://www.sansiri.com/ commercial/habito/)

#### **Escape Sansiri Hotel Collection**



Sansiri operates a hotel business under the brand Escape Sansiri Hotel Collection which currently located in Hua Hin and Khao Yai. The service includes meeting rooms, activity rooms, and other relaxing activities. The employees have also been well trained to offer service of excellence.

(See more details on the hotel on http://www.escape-hotel.com)

#### Satisfaction towards Sansiri's Services

In 2017, Sansiri has adjusted the customer satisfaction collection system in order to align the customer satisfaction index more accurately with the Customer Journey, and improve the assessment of service performance as well. The Customer Journey includes visiting of house or condo sale gallery, provision of projects suggestions and information, sales contract agreement, ownership transfer, house or unit delivery,

after-sales service, and contacting the call centre for filing complaints or requesting for information. Sansiri will incorporate the assessment result in the business and project strategy planning to respond to the customers' needs and further improve Sansiri's service. The issues which received the highest satisfaction are service courtesy, efficiency of working process, and work coordination.



of total Customer Satisfaction Index (CSI) compared to the target of 90%.



of the Customer Relations Department officers received the training on service quality.

\*In 2017, Sansiri expanded the data collection base to be in accordance with customer journey which led to the CSI to be 82% compared to the target of 90%. If the previous system from 2016 were used, the CSI in 2017 would have been 89% compared to the target of 90%.

In addition, Sansiri collected complaints related to customer satisfaction to be used as data for operation planning to achieve the customers' satisfactory goal continuously.

#### Sansiri's Management on Complaints related to Customer Satisfaction

Sansiri collected data from complaints and comments from customers and residents from every channel. Based on the performance in 2017, the key complaint

was related to service aspect. Sansiri's complaint management result is as follows.



out of 190 complaints are related to services in 2017.



were successfully managed in 2017.

#### Privilege Experience for Privilege Customers

In 2017, Sansiri established variety of initiatives to promote privileges including cooperation with the Siam Commercial Bank (SCB) to offer privileges to Sansiri

customers. In addition, Sansiri developed a strategy to better respond to the needs and expectation of customers and residents.

#### Sansiri Family

Sansiri Family is a resident's privilege initiative which Sansiri unique activities in give a complete living experience. It also includes privileges from different shops. Sansiri residents can follow the update on Sansiri website (https://www.sansiri.com/family/).



#### Co-branded Credit Card between Sansiri and Siam Commercial Bank

SCB Sansiri Platinum Card is a scheme Sansiri has initiated together with the Siam Commercial Bank (SCB) to facilitate payment procedures such as project booking payment fee or residence instalment payment. Customers or those who are interested can see details of the card privileges on http://www.scb.co.th/ creditcard/credit-card/ sansiri-platinum



In addition, Sansiri developed the service design process to fulfil customers' needs by using the market strategy Customer Journey. This organisation's new form of operation offers an Agile Team who suggested areas for improvement or development for

customers and categorised customers into different groups systematically in order to accommodate convenience and offer services according to each group's needs.

#### Customer Management under Customer-Centricity Principle



Sansiri elevates service quality for customers by developing the management perspective and conducting customer segmentation through an integrated big data analysis. The analysis aims to develop the organisation's processes to respond to customers' needs at a personalised level. Sansiri will continue to develop the product and service reflecting our customers' needs using by the outputs from the customer behavioural analysis.

#### The Personal Assistant Service (Relationship Manager)



The relationship manager, a personal assistant for customer is one of Sansiri's new services under customer-centricity principle. A property expertise is assigned as a personal assistant to a individual customer, to provide consultations regarding living experience in Sansiri projects. The relationship manager assistance also serves as a single contact point for the high priority customer with Sansiri to enhance convenience for customers, and creates a distinct customer service experience, which Sansiri always seek to improve.

PRODUCT AND SERVICE QUALITY

#### PRODUCT AND SERVICE QUALITY

All of Sansiri's projects were designed to meet the needs and different lifestyles of the customers in each area. Apart from the outstanding design, Sansiri also focuses on quality control of the project construction to align with the international standards. As every customer expects to receive outstanding and excellent quality products and services, Sansiri

manages the operation and ensures the project's quality by determining responsible unit for the quality control throughout the project development, and utilise technology to responsible unit for greater operational efficiency. As a result, Sansiri assure the quality of all projects, and is determined to deliver a great impression to the customers.

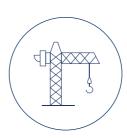
#### **Project Quality Management**

Sansiri sets the quality control process throughout the project development, covering phases from pre-construction, construction, product delivery, and once the residents have moved in. Sansiri sets up this

quality control process in order to effectively comply with the project's defect reduction policy in low-rise and high-rise projects.

#### Responsibility of Project Quality Control

Sansiri manages the project quality according to the design, material selection, construction, inspection, and after-sales. Departments who are responsible for the project quality control include the Product Development Department, Project Procurement Department, Project Development Department, Quality Control Department, Construction Standard Department, and Home Care Department.



Design Department,
Project Procurement Department
and Project Development Department

in cooperation with construction managers manage contractors and suppliers to develop the concept of the project, construct the project to meet the standard plan, and inspect the project quality.



Call Centre Department and Customer Relations Department

receive suggestions and complaints from customers, collect the lists of items to be repaired or fixed, and coordinate with relevant departments before transferring the products to customers in the ownership transfer stage.



Quality Control Department and Construction Standard Department

inspect the project's quality at each stage of construction to comply with Sansiri's quality standard via a Quality Control Application (QC application), and conduct trainings on work and material standard for relevant individuals.



Home Care Department and Project Development Department

inspect, repair, and fix the quality issue based on the residents' repair request. Once complete, the issues are systematically record in the database.

Sansiri sets the quality control standard for every developed project. The Quality Control Department cooperates with the Project Development Department and construction managers to assess the project quality by using the developed tools to support the assessment and promptly display the result. The trainings on quality inspection were also conducted for relevant individuals at the project level.

# ity at the project level.

#### **QC** Application

SUSTAINABILITY REPORT 2017



The Quality Control Department uses the QC application to provide a checklist for the construction quality assessment, enabling users to assess the project quality, and fix the non-complied quality work according to the application system's warning. The application helps the Quality Control Department record data and analyse the problems to find the cause and solution more efficiently owing to faster inspection rate of 6 units per day compared to the normal inspection process which is not more than 4 units per day.

#### Enhancement of Project Quality Control Capacity



In 2017, the Quality Control Department and the Information Technology Department have developed PJ & CM Inspector application for mobile phones and tablets. The application supports the inspection process for the Project Development Department and construction managers by increasing the efficiency of the quality inspection and reducing the time to make an assessment report. The Quality Control Department also held trainings on project quality control for the Project Development Department both in low-rise and high-rise, Product Development Department, and Home Care Department for 38 hours with the total of 227 training participants.



Standard course on quality, to understand and correct the defects in accordance with standard quality



Course on system, design, installation and maintenance of a swimming pool



Course on sanitary ware system



Course on sustainable home quality problem elimination 2017 for batch 1 and batch 2



Course on techniques for selecting grout mark materials to prevent and solve external water leakage problem

Assessment of the project quality and performance indicator are based on the number the customers' inspection which should be less than two times for each unit. In 2017, Sansiri has achieved the performance on project quality according by achieved an aveage

inspection times of less than two which resulted in the number of complaints on the Company's quality to be lower as well. Sansiri has managed the complaints on quality based on an internal operation process immediately after recieving the complaints.

#### **Quality and Management Complaints**

6 complaints on quality out of 190 total complaints.

100%

of complaints on quality were managed and resolved in 2017.

ENVIRONMENTAL
IMPACTS OF PROJECT
DEVELOPMENT

responsible for complying with environmental guidelines and regulations. The Call Centre Department also systematically and efficiently manage complaint. In addition, the Corporate Planning and Sustainability Development Department that oversees the organisation's sustainability, also supports and monitors the progress of project development and environmental issues that arises in the process.

#### **Environmental Management**

Sansiri establishes the guideline for environmental management with the main objective of minimising the environmental impact throughout the operational process. This includes the production, transportation, precast concrete slabs installation, as well as project

planning and developing the project until completion. In this regard, several departments are responsible for the environmental operation, in order to ensure that every stage complies with law and terms of reference.

#### **Environmental Operation Guideline**

Sansiri manages environment, occupational health, and safety according to Corporate Governance and Code of Conduct by focusing on the environmental management process improvement and development as follows.



Follow the environmental regulations



Manage pollution from operation



Utilise resources efficiently to reduce impact on climate change



Manage water resources



Manage ecological impact



Manage supply chain and beneficial value to humans



Record and manage environmental complaints

# STAINABILITY REPORT 20

#### **Environmental Operation Goal**

Sansiri commits to conduct business responsibly by setting the environmental management goals in order to control the environmental impact from the business operation. The goals are expected to be achieved by 2022, compared to the base case of 2018 as follows.



Reduce energy consumption intensity by 10%



Reduce water consumption intensity by 10%



Reduce waste by 10%

#### Sansiri's Environmental Management



Prepare Environmental Impact Assessment (EIA) report

The Project Development Department, consultants, and Government Affairs Department prepare and submit the Environmental Impact Assessment (EIA) report for an approval prior to project development initiation.

#### **Planning**



Control the environmental quality in the Precast Factory

The Environmental, Occupational Health and Safety Department of the precast factory work in collaboration with contractors.

#### Production

# Production process control to be in line with

environmental and

regulation standards.

Environmental impact control such as dust and waste water management before disposing to the public.

# Transportation control of precast concrete slabs to the project

development area safely.

# (0, Cy)

## Construction

# Oversee contractors to follow the Company's regulations, Supplier's Code of Conduct, and measures based from the Environmental Impact Assessment (EIA) Set guide operational projection end to all projection

oversee the contractors' operation.

report.

Set guidelines
operational process as
well as applicable
protection equipment
to all projects.

Asset
environme
and set proceder
corrective
as well as operation as

Assess the environmental impact and set preventive and corrective measures, as well as monitor the operation aligns with the Environmental Impact Assessment (EIA) report.



#### Following Up

#### Complaints management

Communicate and oversee the operation

The Project Development Department and Construction Managers

In the case of environmental complaints via Sansiri's provided channels for stakeholders, **relevant departments** are required to investigate the cause and manage the complaints, such as dust, noise, and hygiene in the project. The resolution progress will be reported to the stakeholders continuously.

Call Centre Call 1685	Facebook https://www.facebook. com/sansirifamily/	Twitter @SansiriPLC
Instagram https://www. nstagram.com/ sansiriplc	Website https://www.sansiri.com	Complaint Channels https://www.sansiri.com/ eng/corporate-governance

Sansiri, construction managers and contractors adhere the procedures set in the Environmental Impact Assessment (EIA) report, and seek to efficiently manage

resources throughout the project development phases, in order to meet government's building standards, and Sansiri's environmental management goal.

#### Status of Projects' Environmental Impact Assessment (EIA) Report 2017



11 projects Sansiri submitted EIA reported



7 projects of which EIA reports have been approved are currently under construction phase.



3 projects of which EIA reports have been approved in 2017.



1 project is under the process of EIA report development.

#### **Environmental Assessment Result 2017**







Sansiri's precast factory has an appropriate working environment and has been audited the environmental indicators by an external party. The assessment of all of the relevant indicators in 2017 are in accordance with the standard criteria of the Ministerial Regulation 2017.

on standard of safety, occupational health and working environment management regarding heat, light and noise 2016 and Notification of Ministry of Industry on the subject of waste water disposal control standard



8 hours average of loud noise in the operation area



Light intensity in the operation area



Heat in the operation area



Physical, chemical and biological quality of waste water

#### **LEED Standard Project**



Design (LEED) for newly built buildings or major

In 2017, Sansiri's flagship project "98 Wireless" was improvement. This is a guarantee of our commitment to certified with Leadership in Energy and Environmental develop environmentally friendly projects in accordance with sustainability development guideline.

> (See more details of 98 Wireless project assessment result based on LEED standard on https://www. usgbc.org/projects/98-wireless)

### **Environmental Complaint Management**

In 2017, Sansiri consolidated environmental complaints from different channels in order to analyse and find solutions to these complaints. The results of complaint management are communicated to the relevant stakeholders.



**Environmental Complaints** from Sansiri's Operation

#### 6 complaints

on environmental issues and impacts from traffic, community and environmental impacts, and noise pollution from the project's surrounding areas.

#### 0 complaint

on environmental issues regarding the precast factory.

#### All complaints

were solved and the resolutions were communicated in 2017.

LOW-CARBON SOCIETY

#### **LOW-CARBON SOCIETY**

Sansiri recognises the importance and impact from consumption and greenhouse gas emission along climate change which is a direct and indirect risk factor to the Company's business. Thus, Sansiri has designed and developed projects to reduce energy

with delivering quality projects to residents with a goal to promote living in the low-carbon society.

#### **Energy Management**

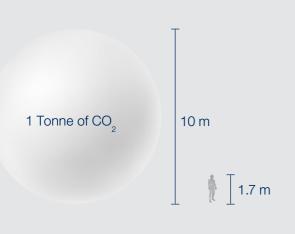
Sansiri designs and manages projects to help residents adjust to living in a low-carbon society. Within the operation, Sansiri has assigned the managerial and operational responsibility to the departments related to procurement and project development, as well as suppliers and contractors with the aim to innovate solutions to creating the lowest impact to the environment. Sansiri plans to collect data on

energy consumption and greenhouse gas emission in 2018. The data will establish Sansiri's base year, and enable Sansiri to set reduction targets. The data will also help Sansiri devise initiatives to reduce energy consumption and greenhouse gas emission at a corporate level, and projects that are under Sansiri's responsibility.

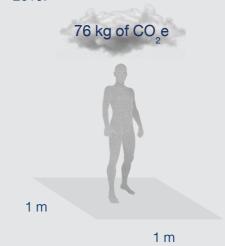
## **Energy Consumption** and Greenhouse Gas Emission

Sansiri tracked the energy consumption and greenhouse gas emission from the office buildings and the precast factory in 2017, and will expand

the coverage to other projects where Sansiri is in control of the common areas in applicable projects in 2018 – 2019.



In 2017, Sansiri's greenhouse gas emission was 2,253 tonnes CO equivalent in total or 76 CO kilogrammes equivalent per square metre. This is metre. This is more than in 2016 which was 1,313 lower than in 2016 which was 2,800 tonnes or 98 CO kilogrammes equivalent per square metre.



In 2017, Sansiri's electricity consumption was 1,469 kilowatt-hour in total or 106 kilowatt-hour per square kilowatt-hour or 94 kilowatt-hour per square metre.

#### **Efficient Energy Consumption Project**

#### **Energy Consumption Reduction Project**

In 2017, Sansiri has developed a projects under the concept of Cooliving Designed Home which focuses on designing the project to efficiently ventilate and cool down without using electricity. Project developed with the Cooliving Designed Home is Burasiri Watcharapol.

#### Single - Detached House Project





are installed to reduce heat under the roof which makes the air in the house cool down and also reduces the germs accumulation.



The shading screen

was designed based on the direction to appropriately absorb sunlight and breeze into the house.



The breeze panels

help ventilating air in the house to the outside.



The texture wall

was designed to reduce heat from the sun.



#### The roof shade

was designed to stretch extra-long to help protect the house from the sun and reduce heat inside the house.

#### The UV shield colour and heat-absorbing green glass

help protecting the house from the light and reduce heat from the sun to enter the house.

#### Condominium Project

The air ventilation system in the condominium projects supports air ventilation efficiency which is 60% more than normal rooms. When opening the shade and door per minute for a 30 square metre bedroom. This helps Air Ventilation System is oka HAUS.

lowering the temperature inside the room, reduce air conditioner use, reduce electricity use, prolong the lifetime of materials inside the room, and increase louver, fresh air can circulate at the rate of 14.2 litres oxygen inside the room. Project developed with the





#### Memorandum of Understanding to Develop Smart Green Energy Community



In 2017, Sansiri signed a Memorandum of Understanding (MOU) to develop Smart Green Energy Community with BCPG Public Company Limited which focus on developing business sustainably. BCPG installs electricity generation system using solar panels on the roofs for residents in Sansiri projects in order to reduce energy cost, increase clean energy consumption and save the electricity fee in Sansiri projects' common areas. This also includes the sale and purchase of excess electricity using Blockchain technology and mobile phone application which will be implemented in 2018.

This 5-year long-term cooperation is expected to save more than 10% of the electricity fee. At the initial stage, Sansiri and BCPG plan to have 5 pilot projects namely Escape Hotel Hua Hin, Escape Hotel Khao Yai, T77 Community Mall project, Satit Pattana School in Ramintra, and Sansiri's precast factory. It is expected that this project will be implemented in other 20 single - detached house and condominium projects in the future.



ECO-FRIENDLY PRODUCTS

# STAINABILITY REPORT 201

#### **ECO-FRIENDLY PRODUCTS**

Sansiri steadily seeks for eco-friendly products that are responsibly produced, whether by technological innovations that increase the efficiency of resource utilisation, or production process that reduce the environmental impact and energy consumption throughout its life cycle. This commitment aims to decrease the environmental and social risks which

may occur throughout the Sansiri's value chain. Thus, Sansiri supports products and innovation that reduce the environmental impact, enhances the user's well-beings, and passes the manufacturing process with credible standards. Sansiri also assigns the responsibility for overseeing the suppliers' and contractors' environmental and safety operation.

### **Eco-Friendly Products and Project Management**

Sansiri has assigned relevant Departments to oversee the process of eco-friendly product procurement. The responsible Departments develop the procurement system, and procure products from the suppliers who are certified with quality and environmental standard. Throughout the procurement practice, trainings

are held for procurement officers to increase their skills and operational efficiency, and suppliers are encourage to collaborate with Sansiri product development in order to delivery eco-friendly products and projects to Sansiri's customers.

#### Responsibility for Eco-Friendly Products



#### The Technology Committee

sets direction, oversees innovative and eco-friendly product procurement.



## The Information Technology Department and the Project Procurement Department

develop an online project procurement system to increase efficiency and precision in communicating with the suppliers. They also assess the supplier's environmental and social qualifications, as well as the specification of the product. The digitalised process help reduce documentation.



## The Project Procurement Department and the Human Resource Department

conduct trainings for procurement officers to increase procurement expertise and efficiency.

Provide technical knowledge on materials utilisation such as efficient wood application, and solve the house quality problem sustainably in 2017.

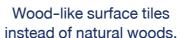
In addition to assigning departments for product management, Sansiri also plans to develop guideline for product management and environmental friendly projects. The guidelines serves to promote cooperation in developing and procuring of eco-friendly products throughout the supply chain.

#### Product Management and Environmental Friendly Project Development Guidelines

Sansiri is in the process of developing the product management and environmental friendly project development guidelines. The guidelines will be used in the Company's project development, which includes the project design and product procurement guideline that aim to reduce the use of natural resource, and provide measures for suppliers and contractors.

#### Eco-Efficient Project Design and Product Procurement Guideline







Water-saving sanitary ware to reduce water use.



Silver nano water tanks which sporophyte development.



Use of Number-5 label for electric appliances to save electricity fee.



Replacement of air conditioners' refrigerant to reduce greenhouse gas emission.



Use of laminated wooden floors from reforestation instead of real woods.



The "Cooliving Designed Home" project which uses environmentally friendly materials and reduces energy use.

#### Measures for Suppliers and Contractors



Establish the procurement terms and conditions in the Supplier Code of Conduct which include the use of quality and environmentally friendly materials certified by credible institutions for their safe production process.



#### Support the development of innovative products

from the suppliers which reduce the environmental impact and promote the residents' well-being. Sansiri has sponsored the investment in innovation, such as offering special interest rate from the partnered banks, setting appropriate loan and payment duration for continual investment.

(See more details on innovative product development support in Innovation chapter and more details on Cooliving Designed Home in Low-Carbon Society chapter.)

## Supplier's Contribution for Eco-Friendly Product

eco-friendly and manufactured by a safe production process. Sansiri also has an auditing process to ensure

Sansiri sets a goal to procure products which are suppliers' production process quality in accordance with the Company's standards.

#### Supplier Audit on Environmental, Safety, and Logistics System

Sansiri audits the overall efficiency of suppliers' operation at a factory level by the Project Procurement Department and other Departments related to project development. The assessment at the factory covers

safety and environmental issues in order to ensure that the products from the suppliers are manufactured by a process which minimises the environmental impact and safe for the residents.

#### Suppliers' Audit Scope







Environmental Management

Safety System in **Factory** 

Production **Process** 

**Human Resource** Utilisation



Waste Disposal in **Factory** 



Machine Management and Maintenance



Warehouse Management



**Logistics System** 

Sansiri has set the eco-friendly products procurement target to ensure effective management of suppliers and contractors in the aspects of environment, safety,

and logistics system. These practices upholds Sansiri's commitment to deliver social and environmental friendly products and projects to the customers.

#### 2017 Performance

#### 35%

of the procured products in 2017 are materials that process through an environmental standard, such as responsible sourcing products, products which consume energy efficiently, products with electricity saving labels and products that are undergone life cycle assessment.

#### Target in 2019

100% of Sansiri products pass Sansiri's environmental standard Sansiri's guidelines will be established to ensure that the target achievement.



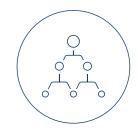
Set the environmental guideline in the agreement with suppliers to promote environmental responsible operations.



Audit suppliers and sampling products annually to monitor the product quality, the manufacturing process, and the suppliers' environmental and safety management process at least once a year.



Consider increasing the procurement capital for products which have a credible environmental standard.



Consider offering a procurement portion to the suppliers who contributes in developing eco-friendly products and innovation.

WORKFORCE HEALTH, SAFETY, AND WELL-BEING

# Sanairi aana

# WORKFORCE HEALTH, SAFETY, AND WELL-BEING

Sansiri constantly seeks to reduce occupational risk and prevent potential accidents in the operation, while supports the employees and contractors' quality of life. Sansiri commits to develop the management system of safety, occupational health, and working environment to comply with the occupational health and safety standards. Sansiri also conducts safety trainings for all the operations to build a safety culture throughout the organisation.

#### Occupational Health and Safety Management

Sansiri manages the occupational health and safety of employees and contractors in accordance with

safety guidelines, in order to achieve the safety goals of accident reduction, and employees' well-being.

#### Occupational Health and Safety Guidelines

Sansiri's Corporate Governance and Code of Conduct covers guidelines regarding environment, occupational health, and safety which focus on improving and developing the safety management process in order to achieve Sansiri's occupational health and safety goals.



Comply with the safety regulations



Comply with safety measures and emergency plan.



Perform duty in respect to the surrounding communities or environment.



Be observant and attentive to reduce occupational risk.



Conduct safety trainings by safety experts.



Restrict individuals to enter operation sites.



Support and promote well-being to all employees.

#### Sansiri's Occupational Health and Safety Goals



Ensure safety at workplaces and promote well-being of all stakeholders.



Zero fatality from Sansiri's operation in Thailand.



Zero Lost Time Injury Frequency Rate (LTIFR) from Sansiri's operation in Thailand.

In addition, Sansiri also has a Child Friendly Policy to support a child-friendly working environment for

mothers and children at the offices, precast factory, and operating projects,

#### Safety at Precast Factory

The precast factory produces and delivers precast concrete slabs for the projects' structural installation. Sansiri has authorised the Safety, Occupational Health and Working Environment Committee; and Environment, Safety and Occupational Health Department to be responsible for safety in operations regarding production process, transportation, and precast concrete slabs

installation. The Committee and the Department have duties to monitor and evaluate safety operations at the precast factory which includes communications on safety policy, safety practice assessment, and safety performance reports, to improve the operation's safety standards. They also conduct safety trainings and activities to promote the organisation's safety culture.







Control and prevent hazard from operations.



Ensure the proper use of personal protective equipment.



Training and develop human capital.



Monitor, review and improve the production process in order to reduce the environmental impact from the operation.

#### Precast Factory Safety Statistics 2017

Zero Lost Time Injury Frequency Rate (LTIFR) per 200,000 working hours. No fatality of employees and contractors.

Average of 6 hours per person per year for safety training of employees and contractors.

#### **Precast Factory Safety Committee**



Review **policies and plans** on work safety.



Review the Safety Manual and recommend safety measures in respect with regulations.



Support activities or occupational safety trainings.



Set out the reporting system for unsafe working conditions for employees at all levels

to comply with.



Consolidate safety performance statistics in operation sites.



Evaluate safety performance of operation sites.



Report operational performance of the Safety Committee.



SUSTAINABILITY REPORT 2017

Perform other dutie related to safety as assigned by employers.

#### Safety Trainings

The Safety Committee and Precast Factory Department ensure that the employees are adequately trained, and are capable to perform and comply with Sansiri's safety guidelines.



Operation safety for new employees



Safety training for safety officers (Supervisor level)



Safety training for Safety Committee



Safety for cranes operation

#### Safety Promotion Activities

The Safety Committee and Precast Factory Department promote safety activities for individuals who worked in the factory to guarantee the safety and well-beings of employees in the factory.



Weekly Safety Talk and activity to give safety knowledge at the Company's construction sites



Surveillance to prevent drug abuse in the Company



High-risk work control e.g. work at height



Checking the driver's alcohol level to prevent accident in the product delivery service.



Providing knowledge to employees on health care e.g. heatstroke prevention



Promoting vaccinations to prevent diphtheria - tetanus



Safety Committee's monthly safety meeting



Annual safety check of building usage



Basic firefighting training and annual fire drill

# VINABILITY REPORT 2017

#### Safety in Project Development Areas

The safety procedures in Sansiri project development are overseen by 3 parties namely the Environment, Safety and Occupational Health Department of the precast factory, the Project Development Department, and the construction managers. The Environment, Safety and Occupation Health Department is responsible for managing the precast structure installation process. The Project Development Department and construction

managers are responsible for managing the construction process based on the Safety Operation Manual, and delivering the project to meet the architectural design. Sansiri also coordinates with relevant governmental organisations to check the building's readiness before receiving an approval to open of the building once the project is completed.

#### **Precast Concrete Slabs Installation**

The Environment, Safety and Occupational Health Department in the precast factory is responsible for the delivery of precast concrete slabs, from the factory to the project development areas, and installation of the precast concrete structure.



# Control the precast concrete panel installation process

of the project to match the project's the standard design.



#### Assign engineers and safety officers

to instruct the installation control officers, contractors, and crane drivers based on the Precast Installation Manual.



# Check and monitor employees and contractors to ensure adequate trainings on safety

including, cranes usage, personal protection equipment, compliance with the Precast Installation Manual, and inspection for operational readiness.

#### **Project Construction**

The Project Development Department and construction managers are responsible for overseeing and directing the contractors in the construction process. Upon completion of precast concrete slabs installation, the Project Development

Department and construction managers ensure the operational proceeds in accordance with the safety regulations, and safety practices as prescribed in the Operation Safety Manual. This aims to continuously promote occupational safety in the workplace.



# Advise, review and follow up on safety plans

includes preventing accidents of contractors throughout the project development.



# Cooperate with contractors to manage the temporary public utility system

such as water, electricity, and rubbish collection area in order to keep the project clean and organised.



#### Operate in accordance with the safety operation plan and prevent accidents to

reduce loss.



# Monitor and communicate safety procedures

before beginning the daily operation such as Morning Safety Talk.



## Observe safety on a daily basis

and conduct meetings with the Project Development Department to discuss safety issues on a weekly basis.



#### Suspend payment

in the case that contractors do not comply with safety measures.

#### Safety Culture

Occupational health and safety at Sansiri head office is under the responsibility of the Human Resources and Office Management Department. The safety issues,

welfare, and activities regarding safety and well-being for the employees are overseen by the departments

#### Responsibility of Human Resources and Office Management Department on Safety



Monitor
the organisation safety performance
with all of relevant business units.



Coordinate and communicate the central safety management system information of the buildings that the Company operates.



Join safety trainings such as annual fire drill.



Determine welfare to support the well-being of employees in each area.



Support communication and relationship between employees

at the head office, the precast factory, projects under construction, and projects under the Company's management.



Visit employees at every operating site.



Ensure safety and well-being of every employees.



Communicate and inform employee's welfare to support employee's safety and well-being, and further develop welfare plans.



Conduct activities to improve relationship among employees in each operating area.

# STAINABILITY REPORT 20

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#### Employees' Well-being Support Project 2017

## Health Check-up Programme in Collaboration with Hospital

Sansiri offers an opportunity for employees to undergo a health check-up at the hospital, and are able to reimburse the check-up fees within the capped budget. This includes a discount of other check-up items such as pre-marital programme, pre-parental programme, flu vaccination, etc. This right also extends to the employees' families.

#### Good Mental Health Promotion Project

Sansiri promotes good mental health of employees by offering an opportunity to meet psychiatrists at a hospital. 9 employees in total used the service in 2017.

#### Retirement Fund for Employees Project

Sansiri offers investment plans for employees to choose based on their needs to support employees' investment management during retirement.

#### **SANSANOOK Application**

In 2017, Sansiri launched a mobile phone application SANSANOOK to be used as a communication channel on activities and Sansiri's news between employees and the Company. The employees can collect points from participating in activities to exchange for prizes.

#### Gym Discount Welfare

Sansiri promote health and well-being of the employees. In 2017, the Company has reserved 2 gyms for employees at Pathumwan Princess Hotel and Bangkok Marriott Marquis Queen's Park Hotel.

#### Health Insurance Project

Sansiri offers convenience for employees who use healthcare service and dental service at designated hospitals without an advance payment for the fee.

#### Breastfeeding Room and Children's Corner

Sansiri offers a breastfeeding room for employees and supports toys and new books to enhance the employees' children's development.

#### Annual Site Visit Programme

In 2017, Sansiri adjusted the project site visit approach to communicate the Company's policies through a digital system so that employees can be informed and participated in developing the operation together with the organisation.

#### Co-Working Space

Sansiri established a co-working spaces with facilities for Sansiri's employees. The spaces were designed to support different usages. The flexible layout of the equipment and furniture can be adjusted in order to support creativity and increase work efficiency.

#### Safety Statistics 2017

In 2017, Sansiri has collected the Lost Time Injury Frequency Rate (LTIFR) and the fatality from work and operation at the offices, projects which Sansiri is

a Juristic Person, the precast factory, and high-rise development project areas. Sansiri will consolidate the data to cover the low-rise projects in 2018.

	Type of Safety Statistics	Unit	Sansiri (All business units)	Employees at Offices and Juristic Persons	Employees at Precast Factory	Contractors*
	Lost Time Injury Frequency Rate (LTIFR)	Cases per 200,000 hours	0.942	1.199	0	0.402
	Fatality	Case	0	0	0	0

(See more details on safety statistics in Sustainability Performance chapter)

Note - (\*) Only high-rise projects data included

HUMAN CAPITAL DEVELOPMENT

#### **HUMAN CAPITAL DEVELOPMENT**

Employees with knowledge, ability, and creativity are a valuable asset for building the business competitiveness, and key drivers to develop the organisation towards its goals and vision. Therefore, Sansiri recognises

the importance of people management, and work to ensure that the people are continuously developing in parallel with the organisational growth.

#### **Employee Development Guideline**

Sansiri commits to develop the employees' capacity, help them to realise their potential through the work context, and enables them learn how to use technology to enhance operational efficiency.

The Human Resource and Office Management Department is responsible for the human capital development strategy, which aims to achieve the following targets.

#### Employee Management Strategy - Journey for Tomorrow



Encourage employees to use their creativity to deliver creative projects.



Set out learning roadmap for employees to improve their knowledge.



Encourage employees to become experts in their work details through specialty training courses.



Support employees in the application of technology and innovation in business operation.



Support employee's work-life balance, and allocate welfare appropriately.

#### Sansiri Employee Development Guideline

Sansiri People Development guidelines ensures all Sansiri employees, both new and current employees, at all levels are adequately developed.



Set the foundation for new employees with the On-Boarding Programme as an approach to establish expectations and understandings of Sansiri's culture.



Support operation
based on
Sansiri core value
by raising employees'
awareness, supporting
employees to thrive in their
career path, being attentive
to customers and work, and
being creative.



competency
which includes business
management skills, leadership
skills, and change management,
both in general and
specialised course.

Support operation according to

the organisation's core

#### Efficiency and People Development Project

Sansiri conducted trainings for employees based on Sansiri People Development Roadmap which includes fundamental and general courses regarding human resource management strategy. In addition, a system to promote employees' learning, and project showcase have also been developed continuously.

ave also been developed continuously.

#### Sansiri Employee's Development Investment 2017

16 Million Baht

budget for employee development

SUSTAINABILITY REPORT 2017

28 Hours

of training on average per male employee per year 26 Hours

of training on average per female employee per year 27 Hours

of training on average per employee per year

(See more details on people development performance result in Sustainability Performance chapter.)

#### Courses and Training Programmes 2017

#### General Training Course



Sansiri conducted general training courses such as Easy Excel, effective communication, and service skill for customers' satisfaction. There was also an orientation programme for new employees which includes mandatory subjects such as Anti-corruption

Policy and unusual situation management process. In 2017, Sansiri has conducted over 136 general training courses. There were 1,307 employees participated, which is 27 hours of training on average per employee per year.

#### **Specialty Training Courses**



Sansiri recognises that the current global context is volatile, uncertain, complex, and ambiguous (VUCA) and is transitioning to the digital era. Employees who can analyse problems, communicate, cooperate and solve problems efficiently are an important factor to enhance the competitive advantage of the Company in the new market era. Thus, Sansiri held special training courses which focus on developing the employees' capability to work fast, be flexible, capable of solving complex problems, and have critical thinking skill. For example, the objectives of Design Thinking course and Leadership 4.0 course are to develop the employees' potential to have a leadership and organisational management skill in the current era which is full of fast and continuous changes. In addition, HR Strategy 4.0 course's objective

is to make use of the internal data to enhance the efficiency and quality. The Agile Training course's aim to promote the employees to adjust their work and thinking method, from the traditional ways to be more efficient, and flexible. The Digital Strategy for Business course can develop employees' skill in digital strategy setting to achieve business goal; Positive Psychology course enhances employees' understand of the happiness theory through the positive psychology principle. Lastly, the Tableau course promotes effective data analysis and presentation which enhances users' understanding of the data. In 2017, Sansiri conducted 21 specialty training courses for over 1,200 hours with 441 employees participated in total.

#### Student Internship Programme



Sansiri conducted Sansiri Internship Programme for The students can apply the knowledge, experience, students which includes an orientation, an on-site visit to the precast factory and Sansiri single-detached houses. The students learned from Sansiri resources and experts from various areas such as architecture and once they are graduated. design, marketing, and project management that help preparing them for their career. In 2017, 111 students from 36 universities participated in the programme.

and advice from mentors and supervisors received throughout the programme to their jobs in the future. Sansiri plans to recruit the students to join the workforce



#### **Data Champion Programme**



Sansiri conducted the Data Champion programme for employees who use data across the business operation. This is to support analytical skills, and the utilisation of tools to process data for decision-making or forecast future trends. It also uses to build a data-driven culture, and prepare the people for Sansiri Transformation strategy, which plans to promotes the efficient use of data in the organisation, and strive for the business

success in the digital era. There were 46 employees participated in the first class. These participants will present their projects based on the knowledge received from the training in the Show Case Stage Data Champion competition which is conducted to motivate and promote employees to be aware of the importance of utilising existing data for greatest impact.

#### **Executive Development Programme 2017**



Sansiri support employees to stay informed with the constantly growing and evolving world of academic by increasing the employees' knowledge, and capability to apply their knowledge for continual and sustainable acumen and development of the organisation, the Executive Development Programme was designed to optimise learning efficiency. The Executive Development any situation.

from action, 20% leaning from others, and 10% learning from classroom training. The programme incorporates both hard and soft skills together with global business acumen and refined process for leadership mindset in order to become the leaders for Sansiri who can deliver strong business results and sustainability in any situation.







In 2017, the Executive Development Programme's budget was approved and was in the process of setting a guideline through cooperation of leading institutes such as Thailand Management Association (TMA), Chulalongkorn University's Sasin Graduate Institute of

Business Administration, and Thammasat Consulting Networking and Coaching Center (CONC). It is expected that all 3 institutes will successfully present the details of the programme in the first quarter of 2018.

#### The Challenger Programme



Sansiri continuously conducts The Challenger Programme to develop and maintain potential employees by assigning the project to the employees. Employees are the owner of the project, and are expected to develop it through their management skills. In 2017, 41 employees participated in the programme. The example projects from the programme

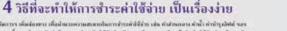
could support Sansiri business includes a study on heat protection condominium unit, home automation system which uses sound to control appliances and electric equipment in the residence, Virtual Reality (VR) technology development, and Augmented Reality (AR) to develop tools for monitoring the construction.

#### Sansiri Leadership Programme

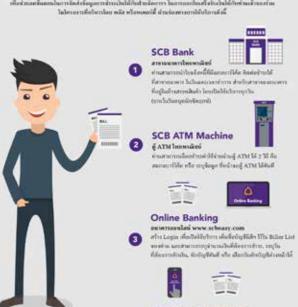


Sansiri conducts the Sansiri Leadership Programme (SLP) to prepare potential employees for the first-line manager position. The participants have to make plans for project development or business improvement by using technology or innovation. Then, they will have to propose the implementation plan, monitor and

define the project's achievement to the executives for approval. 26 SLP projects have been selected in 2016 and currently are under the tracking process. The outstanding projects are as follows.



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#### Bill Payment System

The bill payment system offers more payment channels for current customers. The system has been implemented in 92 projects out of 130 projects in 2017. This system will be further developed to be a cross-bank bill payment system for customers to pay the bill at any bank.



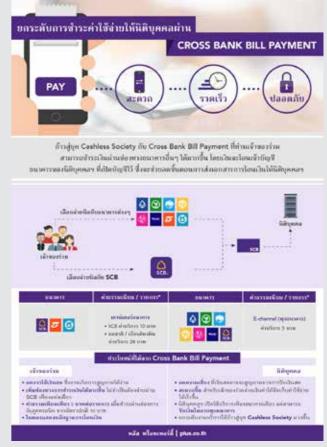
#### **Sharpening Training Programme**

The Sharpening Training Programme is a specialty training course for Departments related to business development. In 2017, this course was incorporated in Sansiri's People Development plan in the business development category.



#### **Building Information Modelling (BIM)**

The BIM system is a project design system which includes different dimensions and displays relevant results such as resources, duration, project design adjustment, and budget. In 2017, Sansiri used this system for high-rise projects and will implement it for low-rise projects in 2018.



#### **Document Tracking and Control System**

The document tracking and control system is used after the ownership transfer process. It was developed to reduce time spent on documents and increase the accuracy, such as loan documents. This project could be further developed to be an e-application system which is expected to support the ownership transfer process and an online approval process. It also helps reducing the processes of work and the document approval to be more efficient.

TALENT ATTRACTION
AND RETENTION

## TALENT ATTRACTION AND RETENTION

Talents are crucial in driving Sansiri to achieve its strategy, to facilitate future business expansion, and to foster competitiveness of the organisation. Therefore, Sansiri seeks for skilled employees, while ensures positive relationships with employees. The aim is to become the most admired organisation.

The approaches include employment, human resource development, employee retention, and employee engagement survey to understand employees' expectation. As a result strategies are subsequently formed to further develop the relationship with employees.

# **Talent Attraction Management**

The Human Resource Department is responsible for talent attraction, employees' performance assessment, and employee engagement survey in order to develop

the strategy to strengthen the relationship between the employees and Sansiri.

#### **Talent Attraction Project**

Sansiri implemented a strategy to attract talents by communicating the organisational culture, work environment, and human resource development policy to the target and interest group to join the organisation.





#### **Employer Branding Project**

Sansiri Employer Branding promotes the organisational culture and work environment at career roadshows, job fairs at a national, provincial, and educational institutional level, in order for applicants to learn more about the organisation and apply for jobs at Sansiri. The Employer Branding helps attracting those who share the same goal with Sansiri.

#### Vacancy Advertisement

Sansiri advertises vacant positions via its standard channel and online platform. In 2017, more online channels had been added such as Facebook, LinkedIn, and other job advertisement websites. Sansiri also adjusted Sansiri Career website to be more modern, convenient and accessible via computers, tablets, and mobile phones.



#### **Bilateral Project**

Sansiri operates projects in partnership with educational institutions to support the students' educational and working experience. By having teachers and Sansiri employees advisors, it also increases the chance of attracting a group of high calibre students to join Sansiri.



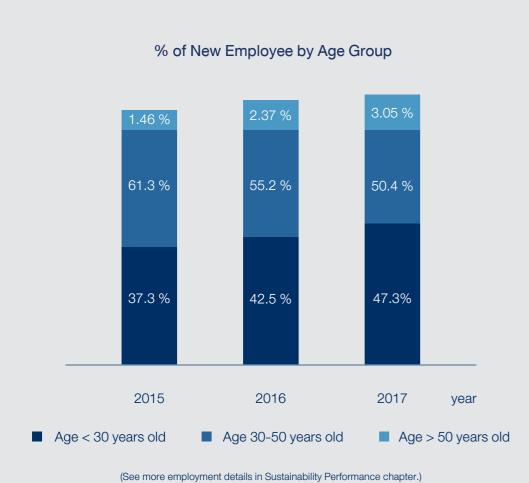
#### Campus Roadshow Project

Sansiri has appointed the Recruitment Unit to give knowledge to students who are soon to graduate at the academic institutions, covering details of responsibilities of different job positions at Sansiri. The objective of the Campus Roadshow is to provide guidance to students to prepare for their careers and a preliminary understanding of the Company.

# Sansiri Employment Statistics 2017

# **New Employee**





#### **Talent Retention Management**

Sansiri recognises that talented employees are vital in performance and set initiatives to build relationship driving Sansiri to achieve its vision and business goal. In order to retain talents, Sansiri assess employee's

with employees.

#### Employees' Performance Assessment



Management System by adjusting the Key Performance Indicator (KPI) to be set from an organisational level, then cascaded down to a departmental level, and the individual level. The guideline enables the employees

In 2017, Sansiri continues to utilise the Performance to understand the background and importance of their responsibilities, while assessing their soft skill competency such as creativity and skill development. The employees are expected to develop the following behaviours.



Strive to learn and seek for applying new knowledge to their work.



Improve the way of working.



Able to assess and solve to the problems they encounter at work.



Improve their input and output by taking into account the cost, time, quality, and services.

In 2017, Sansiri conducted a performance assessment for all employees, and has promoted employees accordingly to their skills and capability. In addition, towards employees' performances assessment. Sansiri plans to assess the employees via other

approaches such as 360 degree assessment in 2017 - 2018. This approach would widen the perspective



Sansiri assesses the employees' performance twice per year.



100% of the employees acquired performance assessment against performance indicators.



560 employees were promoted according to their skills and capabilities.

# Talent Retention Project

Sansiri conducted an employee engagement survey, and collected employees' opinions regarding the company operations in 2016. The survey result will be used to plan and design the operational development strategy in 2017 - 2018 based on the employees'

feedback. In this regard, Sansiri responded to the employee engagement survey in the previous year by implementing initiatives to develop the employees' relationship.

#### Salary Survey

Sansiri surveyed and improved the salary structure to align with the economy, in order to remain competitive in the real estate market.

### **Recognition Activity**

"Congratulations to everyone, I believe your advancement today is not your success alone, but Sansiri as well."

> CFO's message to Sansiri's promoted employees

Sansiri recognises employees whom were promoted by sharing e-cards and souvenirs from executives and managers. Other activities to congratulate the employees

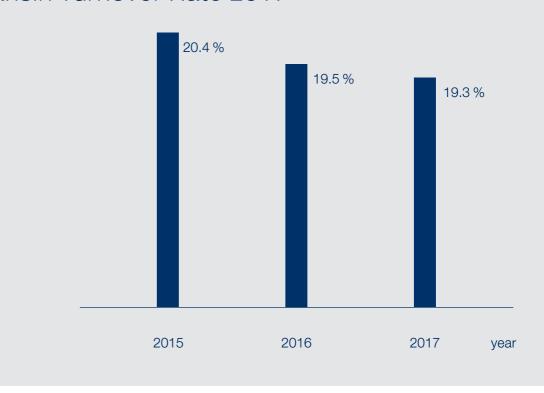
are sending e-cards and messages through online board by the colleagues.

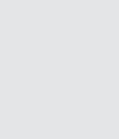
(See more details on welfare and well-being in Workforce Health, Safety, and Well-being chapter.)

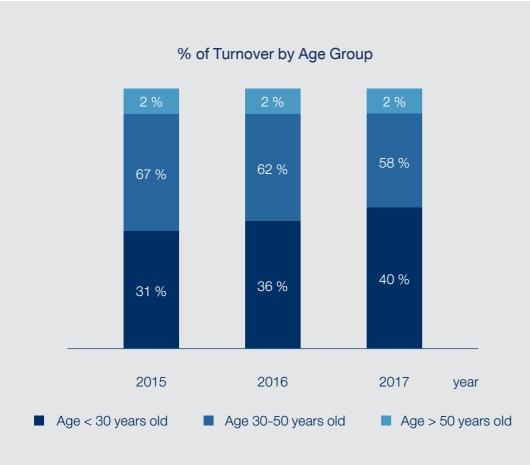
with employees, Sansiri has monitored the employee's in 2017 was lower than 2016.

Based on the initiatives to build a good relationship annual turnover rate and found that the turnover rate

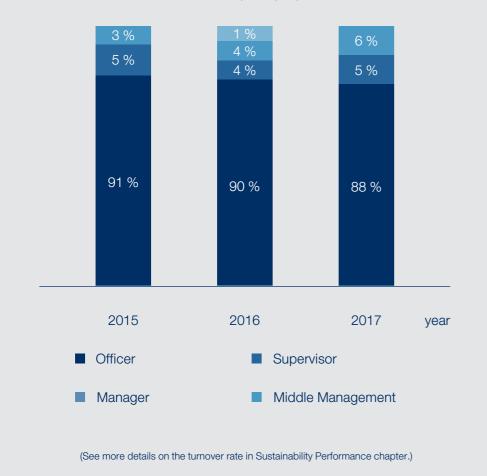
## Sansiri Turnover Rate 2017







## % of Turnover by Employee Level



In addition, Sansiri also focuses on continual engagement with employees by setting a survey plan to improve the employees' relationship towards the organisation.

# Sansiri Employees' Relationship Development Plan

In 2017, Sansiri planned and implemented a strategy on an annual basis with an aim to achieve employee's conducted in 2016 and set a work plan in 2017 – 2018. compared to 2016. The engagement survey approach was adjusted to be

to respond to the employees' engagement survey engagement survey target of 20% increased by 2020

#### Scope of Employees' Relationship with Sansiri Survey



Organsation's reputation



Operations and performance assessment processes



Remuneration and welfare



Leadership in the organisation



Type of assigned tasks



Operation and the organisation's business

DIVERSITY AND INCLUSION

## **DIVERSITY AND INCLUSION**

Sansiri believes that diversity in an organisation, such as race, nationality, culture, age, or employees' expertise, are fundamental in adjusting and advance the organisation to social change. Organisational diversity can also enrich the organisation with ideas which can

be integrated into the organisations and drive it towards creativity and success. Therefore, Sansiri have built a culture which respects the employees' differences, encourage collaboration, and treats all employees equally in accordance with the of human rights principle.

# **Diversity of Employees**

Sansiri recognises the value of the diversity of employees. Thus, Sansiri establishs a project to support an experience sharing of different perspectives from employees of all generations and

genders. This is to ensure that Sansiri's employees have an opportunity to express their opinions equally.

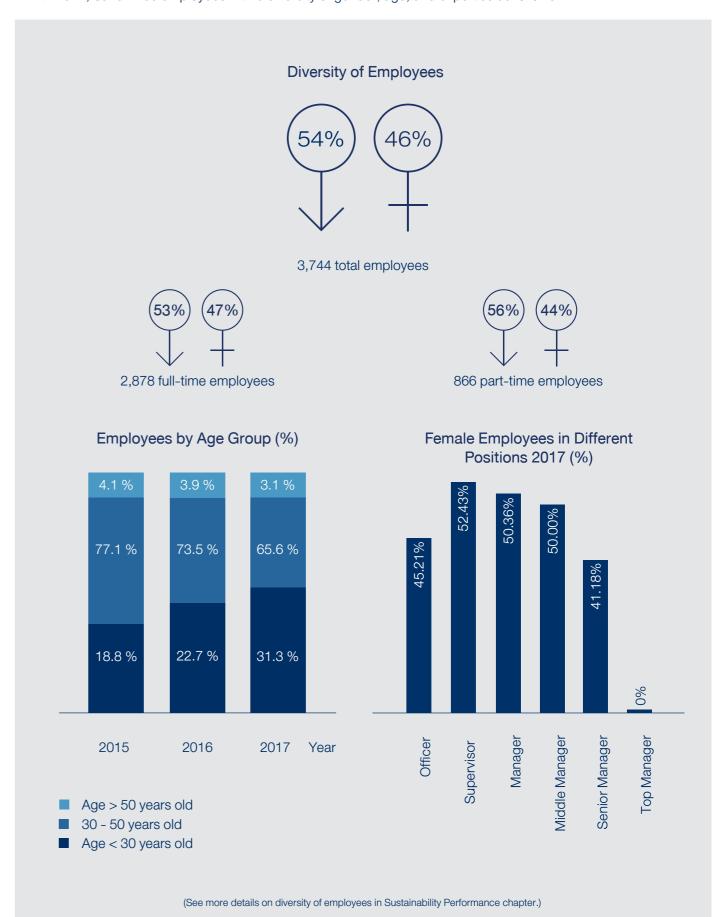
#### **IDEA HAMSTER Project**



Sansiri established IDEA HAMSTER project for the employees to share knowledge and exchange experience under 4 themes, which are Great Success, Innovation, Collaboration, and Challenge the Ordinary.

Sansiri conducted two IDEA HAMSTER events in 2017 with the total of 40 employees sharing ideas for creative organisational development. The topic that received a wide interest and responses is an appointment of a Hackathon group, which consists of employees from Human Resources Department, Information Technology Department, and Siri Ventures. The group aims to find solutions for problems at work, share information, brainstorm ideas, and develop inter-departmental operations. Sansiri also plans to further advance the ideas from the presenters in 2017. This project is considered as an example of successful experience sharing for colleagues regardless of age, gender, or job position. It was also a platform for employees of different generations to understand different perspectives and gain inspirations for success.

In 2017, Sansiri has employees with a diversity of gender, age, and expertise as follows.



TENANT AND RESIDENTS
HEALTH, SAFETY,
AND WELL-BEING

# TENANT AND RESIDENTS HEALTH, SAFETY, AND WELL-BEING

Sansiri's project safety, environment, and well-being are fundamental to for customers and residents quality of life. Sansiri therefore manages the project's safety and aftersales services under ISO 9001:2015 standard,

in order to create standards for project security, resident's well-being, and quality of products enhanced by innovative technology.

# Safe Project Development

Sansiri's projects were designed based on a consideration of safety, and residents' well-being.

#### Safe Project Development

Sansiri's Quality Control Department, Project Procurement Department, and Project Development Department are responsible for project development,

resident's safety and well-being. All of Sansiri's projects must pass the residents' safety assessment prior to the project development process.



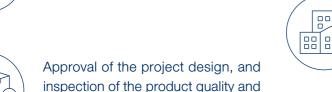
A project passes an Environmental Impact Assessment report approval which includes the safety measure.



Project construction proceed accordingly with the quality control standards. Monthly inspection and evaluation of quality and safety performance in every project development area.



Design structure, common area, and a project's fence area with a consideration of safety and privacy.



safety prior to the project procurement

process.



Building test to inspect the project quality and safety according to Sansiri's standard, prior to project transfer to customers.



In case of a quality or safety issue arises after the delivery to customers, the Quality Control unit will be responsible for inspecting and forming a solution.

#### Project to Accommodate Everyone's Convenience

Sansiri operates a Community Retail project for Sansiri's project residents by designing the common areas, roadways, public utilities, and passenger lifts to accommodate those who have physical restrictions such as elderly and persons with physical disability. The facility also includes a mother's room

for breastfeeding and diaper changing, suitable for families with young children. Sansiri expects to expand the project development or improve the current project to accommodate all groups of customers especially the elderly, persons with disability, mothers, and children.

# Project Residents' Safety Management

After the project has transferred to customers in the first year, Sansiri's Property Management Residential (PMR) Department under the operation of Plus Property Co., Ltd. is responsible for the project management ensuring safety, and well-being in the project according to the Work Safety, Occupational Health and Environment

manual. The manual aims to carry out the safety and environmental policy to achieve the goal of renewing a contract with every project under Plus Property. Plus Property's strategy, the Beautiful Community, works to enhance the safety and well-being of employees, suppliers, contractors, visitors, and residents.

#### Responsibility of Property Management Residential Department



Manage safety, environment, and well-being of all of Sansiri's projects.



Hold and conduct safety activities for residents such as annual fire drills, and basic firefighting practices.



Supervise and manage project's central system and utilities such as passenger lifts, sanitation systems, fire exits, fire extinguisher maps, firefighting systems, and assembly points in case of emergency.



Attend and maintain the common areas functionality and readiness such as of swimming pools and roadways.

#### Property Management Residential Department Safety Policy



Develop safety systems

in respect to safety regulations, and seek to build a safety culture.



Set measure to manage loss reduction

from accidents, to achieve the goal of zero accident.



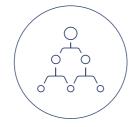
Execute risk prevention and correction plans

efficiently to achieve all of the safety plans.



Build knowledge and raise awareness

amongst employees regarding work safety to meet the standard safety trainings.



Allocate resources to safety operate work

in regard to safety, occupational health and environmental management system.

#### Work Safety, Occupational Health and Environment Manual



General safety regulations

\_

Office equipment

usage safety



Work permit check system





Office safety



Stairs usage

safety



Working at height safety





operation



Machine safety





Workng with

dangerous meterials or chemicals safety

Object moving safety



Fork lift usage safety



Cutting, welding, and grinding safety



Scaffolding usage safety



Health sanitation and diseases from work



for personal safety



Protective equipment





Fire components



Fire prevention and fire extinguishing



**Emergency plans** 



Safety signs

In addition, as per residents' expectation of projects to be equipped with high safety standards, Sansiri also offers Sansiri Security Inspection (SSI) to inspect, supervise, and train all of the projects' security officers.

In 2017, Sansiri has allocated approximately 30 Million Baht to promote and develop the safety system, further maximising the safety for Sansiri's residents.

#### Responsibility of Security Officers



Check individuals and vehicles that enter and exit the projects.



Always inquire residents to confirm the visitors' identity.



Survey risky and precarious spots in the projects to ensure safety in the project.



Perform other safety duties according to standard with courtesy and credibility.

#### **Special Safety Trainers Establishment**



Sansiri Security Inspection (SSI) trainers are security professionals, approved by governmental and private organisations, to support the projects' security officers to gain knowledge and understand the security and

safety practices such as night surveys, and emergency trainings for security officers such as basic firefighting, first aid, and conflict resolution.

As Sansiri establishes safety measures in the projects, Sansiri also commits to develop safety innovation, to ensure the residents' safety in the projects, both in normal and during emergencies situations.

#### Project's Safety Measures



Surveillance camera system



Automatic door system for entering and exiting project



Alarm system and anti-theft system



Security officers in the project



Vehicle roadways management in the projects



Waste truck area provided to ensure order and cleanliness



Fire truck area management in case of fire



Fire alarm system and fire extinguisher system



Air compression fan system



Passenger lift system

Sansiri sets the standard for the surveillance camera installation in the projects at the vehicle entry and exit roadways, security officer booths, and along the main roadways in the projects.

#### Visitors' entry roadway

Camera records license plate

#### Visitors' exit roadway

Camera records license plate

#### Security officers' booth

Camera records inside the booth to keep record and check the security officers' work

### Project entry roadway

Camera records the driver's face

#### Project exit roadway

Camera records the driver's face

#### Main roadways in the project

Cameras are installed along the main roadways in the projects especially at vulnerable and blind spots such as fence line adjacent to communities, canal line, and other risky spots considered by Sansiri Security Inspection (SSI) trainers

#### Using Technology to Monitor and Maintain Safety for Residents

Sansiri applies safety technology in the projects to monitor and maintain the safety of residents. For example, visitor pass exchange system BitVisitor, face detection system, siren motorcycles, Easy Pass for entry and exit system, and standard contractors' fingerprint

collection. In 2017, Sansiri has implemented a pilot programme of the aforementioned technology at one low-rise project and one high-rise project which will expand to other projects and set as the standard for future Sansiri's projects.



#### Face Recognition System

Using Deep Learning technology to recognise an individual's face in order to help Sansiri provide services and support safety for Sansiri's customers better



#### **Smart Access System**

Using technologies such as Bluetooth, QR code, narrowband, IoT, etc. to accommodate customers and their guests to have a better experience in entering and exiting the projects. In addition, it helps reduce safety-related expenses for Sansiri's customers

# Residents' Safety Performance

The Property Management Residential Department annually conducts a residents' satisfaction survey including complaints collection via Home Service Application, reports at the project's Juristic Person, and

complaints via a call centre. The complaints are recorded in a Corrective Action Request (CAR) document and forwarded to the projects to be resolved.

#### Safety and Area Management Performance in 2017



52 trainings hours per person per year for the projects' security officers.



34 complaints

regarding project area management such as officers' services, residents' safety prevention, and theft prevention. In 2017, there were 190 complaints in total.



97%

of the complaints were assess and validated before proceeding to problems resolution and compensation to residents. Complaints are continuously used to improve operation performance.



No case of complaints on project and building safety that is against the law or safety regulations.



88%

of residents' satisfaction on property management.



92%

of contracts renewal with the juristic persons.

#### Project Managers' Interviews and Residents' Compliments

#### Resident's compliment:

"I love living here. Khun X and the SSI team are fantastic. So grateful to have them here. I am far from my original home, but the team here have created a new home for me."



"I feel energised to work and ready to offer services fully and wholeheartedly to residents because we live like a family."



Mr. Watcharapong Cherdkiattichai (Manager of Prive by Sansiri Project)

#### Resident's compliment:

"I am impressed by the current Juristic Person after I was taken care of when I was injured in my home. I want them to be with the residents for a long time."

#### Project manager's comment

"At the event where a resident was injured in the project, the village manager together with security officers performed a primary first aid and coordinated with a rescue unit for the resident to receive further treatment in time. After that, we were informed that the resident was safe, so I was proud that I was able to help at that time."



Mrs. Duangporn Komootpong (Manager of Setthasiri Chaengwattana - Prachachuen Project)

VALUE CREATION FOR SOCIETY Social investment reflects Sansiri's voluntarily contribution and responsibility to operate business for the benefits of society. Specifically, Sansiri commits to implement projects to protect and support children's right, as children and youth are the underlying aspect of sustainable development. Sansiri engages in children's right issues such as a child's right to education and right to health. In addition to the

partnership with the international non-profit organisations who protect and promote children's rights, Sansiri also had opportunities to share the Company's experience regarding child-friendly business development, and learn from other leading organisations' best practices. Sansiri aims to expand its network of child-friendly business development with other organisations for the best interest of children.

# Social Investment Strategy and Management

Sansiri has assigned the Corporate Social Reasonability (CSR) Committee to be responsible for Sansiri's social investment strategy and implementation. The strategy focuses on developing children and youth in 3 main aspects, education, sports, and health. Under the Social Change programme, Sansiri continually promote human

rights and well-being of children and youth, which is aligned with Sansiri's vision. The Corporate Social Reasonability (CSR) Committee and Corporate Social Responsibility Department are responsible for Sansiri's social investment management.

#### Social Change

Social Change has 3 main aspects of responsibility and contribution children, youth, and society. Social Change is a programme that engage in a multilateral

development with UNICEF Thailand, and organisations that works in the interest of children.

#### The Good Space



Sansiri announced the zero-tolerance policy on child labour in construction sites which is legally binding to the construction contract, requiring all construction partners to acknowledge and support to end to child labour in all relevant forms in the businesses. In addition, Sansiri partnered with UNICEF Thailand and construction business partners to initiate "The Good Space" project which is a safety zone for children under 14 years old of all nationalities in the construction site. The children can utilise the space for participating in activities organised by Sansiri and partners, such as basic learning for children or supporting on basic

development. This is to ensure that the children are safe from any danger or accidents which may occur in the construction site, and to protect them from being subjected to child labour. Sansiri and business partners also plan to build "The Good Space" in all of the Company's construction sites in Thailand where workers and children are living in. This aims to ensure that children have a safe space for learning, playing and developing while their parents or guardians are working. In 2017, Sansiri has 11 Good Spaces, and about 750 children benefiting from the Good Space.

SUSTAINABILITY REPORT 20

#### THE GOOD NUTRITION

health and sanitation, including comprehensive nutrition and immunity support according to the World

Sansiri promotes children to have access to basic Health Organisation (WHO) standard. This aims to raise awareness of children health concerns, and children's rights access to basic health services.





Sansiri recognises the importance of children's rights by partnering with UNICEF Thailand, to become a model organisation for children and family friendly workplace. Sansiri implemented the projects such as that the employees have an opportunity to take care Mother and Child's Room or Breastfeeding Room at the head office in Siripinyo Building and other offices. Sansiri also supports childcare at different ages, and

offers training course for the employees. In addition, Sansiri allocates a children's corner at the head office to support children's development. This is to ensure of their children and to support employees who just returned to work after their maternity leave to encourage breastfeeding to their child.





In 2016, Sansiri partnered with Ministry of Health, In 2017, Sansiri has vaccinated and provided basic immunisation for children in Sansiri's construction sites.

UNICEF, and World Health Organisation to promote health services to 224 children from 9 construction sites.

#### THE GOOD SPORT

Sansiri implemented a programme to promote children's children with disabilities. There are over 7,000 children and youth's good health such as sports coaching or supporting sports equipment to all the children without discriminating against underprivileged children and

participated in "The Good Sports" project since its initiation in 2006.



Sansiri established "Sansiri Academy" to teach football to children and youth free of charge. The admission process is based on the first come first serve basis

without any exceptions based on gender and livelihood. In 2017, there were over 650 children participated in Sansiri Academy.

#### THE GOOD WILL



Sansiri partnered with UNICEF Thailand and Sermkla Foundation to build a good life and well-being for children and youth around the world.







disasters around the world.

Annual donation to support UNICEF Representing the private sector Establishing Best Start project "First Sector Meeting.

Emergency Fund for children who are to exchange ideas with the public 6 years of life are children's 6 golden affected by natural and man-made sector and other members from years" to raise the awareness for early private sector around the world at childhood development (newborn to the 9<sup>th</sup> Annual United Nations Private 6 years old) and signing a petition to drive the public sector to increase the investment in early childhood development and solve children development issues.

(See more details on Social Change on https://www.sansiri.com/socialchange/ and Sansiri's partnership with UNICEF on https://www.unicef.org/thailand/partners\_21059.html)

# Children and Social Projects Performance

Sansiri continuously establishes projects for children and society under the Social Change guideline and donates funds to help children around the world.

In 2017, Sansiri's highlight projects for children and society include Sansiri Academy, UNICEF Emergency Fund support project, and Sansiri - UNICEF Gift of Hope.

#### Sansiri Academy 2017

Sansiri implemented Sansiri Academy project to teach football to children and youth on the weekends free of charge. This aims to support children and youth to exercise, develop teamwork skill, and promote the discipline of sportsmanship. The project offers an opportunity for all children to participate in playing sports

and developing quality sports skill. In 2017, Sansiri has allocated 9 Million Baht to support this project. Over 650 children joined Sansiri Academy. 3 youths from Sansiri Academy was able to advance their skills to the national level.









Sansiri Academy Bhutthamonthon won the charity football championship

Sansiri Academy Bhutthamonthon sent a team to compete in RBSC International Soccer 7's by Chang

Sansiri Academy X Ari Football

#### Children from Sansiri Academy in Thailand's National Team







Nattawadee Prumnak (Amp) is in Thailand's female national 19-years-old football team which competed in Asia Championship 2017 in China.



Siradanai Pohsri (Haman) is in Thailand's national under-12-years-old football team and competed in Toyota International Cup 2017 in Japan.

180

#### Sansiri supported UNICEF Emergency Fund for the 7<sup>th</sup> Consecutive Year



Sansiri partnered with UNICEF to protect and promote children's rights in business sector and signed a Memorandum of Understanding (MOU) to develop projects for youth since 2011. Sansiri supports UNICEF to help revive and build a good foundation for the future of children who are affected by disasters around the world. In 2017, Sansiri donated 1 Million US dollars to UNICEF for the 7<sup>th</sup> consecutive year, which is 233 Million Baht in total since the project started. It is an unconditional donation which means in the case of emergency, UNICEF can use this fund to assist any situation with highest priority.

(See more information on the Emergency Fund for children on https:// www.unicef.or.th/supportus/campaign/ChildrenEmergency)

#### Sansiri - UNICEF Gift of Hope

In 2017, Sansiri supports UNICEF Gift of Hope by scanning a QR code at the Christmas tree at any project for the 2<sup>nd</sup> consecutive year. The employees UNICEF projects. The project has made 2.4 Million can donate to help children in need around the world Baht of donation in total.



Sansiri started the project campaign since 22<sup>nd</sup> December 2017 and organised the event on Christmas Day. The event received interest from executives and





employees who donated and shared the campaign on

social media platform.







(See more details on Gift of Hope project on https://www.unicef.or.th/giftsofhope/)

The result of Sansiri projects for children and society throughout 2017 is as follows.

Sansiri's Support for Projects for Children and Society

Over 30 Million baht

for charitable donation

Over 9 Million baht

for social investment

SUSTAINABILITY PERFORMANCE

# SUSTAINABILITY PERFORMANCE

# Economic

Description	Unit	2015	2016	2017
GRI 201-1 (CRE) Direct Economic Value	Generated			
Total revenue	Million Baht	38,455.25	34,395.00	31,756.73
GRI 201-1 (CRE) Economic Value Distrib	outed			
Salary, wages and employees' benefits Operating expense	Million Baht Million Baht	2,018.44 6,460.08	2,221.30 5,827.70	2,395.82 6,103.72
GRI 201-1 (CRE) Payment to Provider of	Capital			
Payment to governments (i.e. taxes) Dividend payments Interest payments  GRI 201-1 (CRE) Philanthropic Contribut	Million Baht Million Baht Million Baht	1,242.00 1,712.72 1,761.55	944.29 2,285.67 1,425.14	818.88 1,857.01 1,317.32
Total contribution	Million Baht	36.47	36.37	34.43
GRI 205-3 Code of Conduct and Anti-Co	rruption Breach			
Confirmed case Ongoing case from previous year Case under investigation Resolved case	Case Case Case	n/a n/a n/a n/a	n/a n/a n/a n/a	0 0 0 0
GRI 205-3 Customer Satisfaction Survey				
Satisfaction level (Customer Satisfaction Index: CSI)	% Actual % Target	90.18 >90	90.87 >90	82.00** >90

<sup>\*</sup> N/A = Information is not available.

# Environment

Description	Unit	2015	2016	2017
GRI 301-1 (CRE) Materials				
Timber Cement Steel	Tonne Tonne Tonne	n/a n/a n/a	n/a n/a n/a	211,567 107,261 11,762
GRI 302-1 (CRE) Energy Consumption				
Total energy consumption within the organisation	MWh	1,176.95	1,313.04	1,496.01
Sansiri head office Precast factory Property service head office (PLUS)	MWh MWh MWh	46.25 1,108.68 22.02	48.20 1,241.07 23.77	53.33 1,419.54 23.14
GRI 302-1 (CRE1) Energy Consumption				
Building energy intensity Sansiri head office Property service head office (PLUS) Precast factory	kWh/m²/year kWh/m²/year kWh/m²/year kWh/m²/year	226.72 51.00 102.97 72.75	245.74 53.15 111.15 81.44	255.69 54.31 108.23 93.15
GRI 303-1 (CRE) Water Consumption				
Total municipal water consumption Sansiri head office and property service head office (PLUS) Precast factory	m³ m³ m³	58,974.00 34,435.00 24,539.00	66,308.00 35,154.00 31,154.00	70,348.00 36,159.00 34,189.00
GRI 303-1 (CRE2) Water Consumption				
Building water intensity Sansiri head office and property service head office (PLUS) Precast factory	m³/m²/year m³/m²/year m³/m²/year	6.05 3.79 2.26	6.08 3.77 2.31	6.28 3.91 2.37
GRI 305-1 (CRE) GRI 305-2 (CRE) Gre	enhouse Gas E	missions (GHGs)		
Total GHGs emissions Direct GHG emissions (Scope 1)*** Indirect GHG emissions (Scope 2)	kgCO <sub>2</sub> e kgCO <sub>2</sub> e kgCO <sub>2</sub> e	2,505,968.13 1,331,286.51 1,174,681.62	2,765,951.10 1,483,575.19 1,282,375.91	2,217,108.14 793,062.04 1,424,046.09

<sup>\*\*\*</sup>Direct GHG Emissions is calculated from Sansiri Head Office, Precast factory, and Property Service Head Office employee's transportation only.

<sup>\*\*</sup> In 2017, Sansiri expanded the data collection base to be in accordance with customer journey which led to the CSI to be 82% compared to the target of 90%. If the previous system from 2016 were used, the CSI in 2017 would have been 89% compared to the target of 90%.

# Environment

Description	Unit	2015	2016	2017
GRI 305-1 (CRE3) Greenhouse Gas Emi	ssions (GHGs)			
GHGs intensity	kgCO <sub>2</sub> e/m²/year	93.90	96.41	74.93
GRI 305-1 (CRE4) Greenhouse Gas Emi	ssions (GHGs)			
GHGs emissions per revenue	kgCO <sub>2</sub> e/Million Baht	65.17	80.42	69.81
GRI 307-1 Non-Compliance with Environ	mental Laws and F	Regulations		
Total monetary value of significant fines	Million Baht	0	0	0
Total number of non-monetary sanction	Cases	0	0	0
Cases brought through resolution mechanism	Cases	0	0	0

# **Labour Practices**

Description	Unit	2015 Male Female	2016 Male Female	2017 Male Female
GRI 102-8 Workers and Employees				
Total number of employees****	Persons	3,318 1,676   1,642	3,448 1,751   1,697	3,744 2,008   1,736
Employment Contract				
Permanent	Persons	· ·	2,558 1,295   1,263	
Temporary	Persons	979 497   482	890 456   434	866 487   379
Age Group				
<30 years	Persons	623 320   303		638   533
	% of total employee	18.78 9.64   9.13	22.68 11.63   11.05	31.28 17.04   14.24
30-50 years	Persons	2,558 1,278   1,280	2,533 1,273   1,260	the state of the s
	% of total employee	77.09 38.52   38.58	73.46 36.92   36.54	

<sup>\*\*\*\*</sup>Information included only Sansiri's employee information in regard to worker will be collected in the future.

Description	Unit	2015 Male Female	2016 Male Female	2017 Male Female
GRI 102-8 Workers and Employees				
Age Group				
>50 years	Persons		133 77   56	
	% of total employee	4.13 2.35   1.78	3.86 2.23   1.62	
Employment Type				
Full-time	Persons	2,339 1,179   1,160	2,558 1,295   1,263	
Part-time	Persons	979 497   482		866 487   379
GRI 405-1 (CRE) Diversity of Governan	ce Bodies and Em	ployees		

Board of directors	Persons	10	10	10
		10 0	10 0	10 0
Top management	Persons	3	3	4
		3 0	3 0	4 0
Senior management	Persons	54	60	68
		33 21	35 25	40 28
Middle management	Persons	73	71	80
		35 38	31 40	40 40
Manager	Persons	340	382	421
		178   162	191   191	209 212
Supervisor	Persons	280	297	309
		134   146	140   157	147 162
Officer/staff	Persons	2,568	2,635	2,862
		1,293   1,275	1,351 1,284	1,568 1,294

Description	Unit	2015 Male Female	2016 Male Female	2017 Male Female
GRI 401-1 New Employee Hires				
Total number of new employee	Persons	888 484   404	1,013 585   428	1,110 657   443
Rate of new employee	% of total employee	26.76	29.38	29.65
Number and Rate of New Employee	e By Age Group	,	,	·
<30 years	Persons	331 174   157	430 232   198	525 313   212
30-50 years	Persons	544 303   241	559 338   221	559 332   227
>50 years	Persons	13 7   6	24 15   9	16 12   4
GRI 401-1 Employee Turnover				
Total number of employee turnover	Persons	678	671	723
Rate of employee turnover	% of total employee	340   338 20.43 10.25   10.19	384   287 19.46 11.14   8.32	350   373 19.31 9.35   9.96
Turnover by Age				
<30 years	Persons	213 97   116	242 139   103	292 141   151
30-50 years	Persons	455 240   215	414 235   179	420 202   218
>50 years	Persons	10 з   7	15 10   5	11 7   4

Description	Unit	2015	2016	2017
GRI 401-3 Parental Leave				
Employees that were entitled to parental leave***** Employees that took parental leave Employees that return to work after parental leave ended	Persons Persons Persons	1,263 58 58	1,263 54 47	1,357 63 55
Employees that return to work after parental leave ended that were still employed 12 months after their return to work	Persons	n/a	41	46
Return to work rate Retention rate	% %	100 n/a	87.03 75.92	87.30 73.02
Description	Unit	2015	2016	2017
GRI 404-1 Employee Training	Offic	Male Female	Male Female	Male Female
Average hours of training per year per employee	Hours/ person/year	14.16 13.22   15.1	16.95 15.63   18.27	26.76 27.73   25.78
GRI 404-3 Employees Performance and Caree	er Developme	ent Reviews		
Percentage of employees received regular performance and career development review	% of total employee	89.49 44.97   44.52	95.68 48.15   47.53	91.35 48.82   42.52

 $<sup>\</sup>ensuremath{^{\star\star\star\star\star\star}}\xspace$  Currently, only female employees are entitled for parental leave.

ABOUT THIS REPORT

## **ABOUT THIS REPORT**

Sansiri Public Company Limited has developed this Sustainability Report 2017 as the second annual report. The report discloses the Company's management approach and performance on key sustainability issues to all stakeholders, addressing economic, social, and environmental dimensions of the Company's operation. The scope of this report covers the performance of

Sansiri Public Company Limited and other subsidiary companies that Sansiri holds 50 percent or more of the shares and are under the Company's management. The report covers the period of January 1st, 2017 to December 31st, 2017. This report has been prepared in accordance with the GRI Standards: Core option.

# Sustainability Material Topics Identification

(102-32, 102-46, 102-56)

Sansiri's Sustainability Materiality 2017 have been compiled and prioritised through the review of external and internal factors that relate to the Company's operation, prior to executive's approval and disclosure of performances in regard to Sansiri's material topics. The Company has procedures in place that are

reviewed by the Corporate Planning and Sustainability Development Department, which will be consequently reported to the Corporate Governance Committee for consideration. The procedure consists of the following four key stages:

## Identification of sustainability material topics

**Prioritisation of Material Topics** 

Identify sustainability material topics including business risks and opportunities that could have impact on business, business direction and strategies that are of interest to stakeholders, sustainability topics in the similar industry, as well as global trends in sustainable development.

Prioritise each material topic by taking into account the following: significance of the interest of stakeholders upon the topic, significance of the risks and business opportunities for the organisation, and material topic's impact boundary.

Report Continual Development

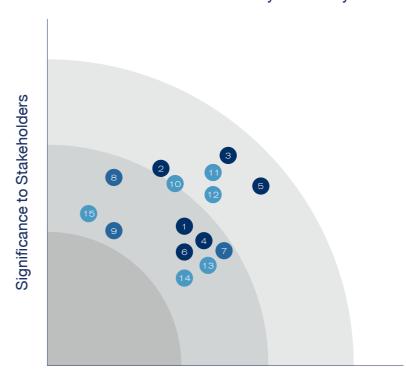
Validation of Material Topics

The company improves the sustainability reporting by gathering feedback from related stakeholders from all communication channel, and plans to verify the sustainability report content by external party in the future.

Summarise material topics and ensure compliance against GRI Standards. Consolidated topics and the report content are reviewed and approved by the Corporate Governance Committee for disclosure in annual Sustainability Development Report.

# Sustainability Material Topics Assessment Result

Sansiri 2017 Sustainability Materiality



Significance to Sansiri

#### Economic

- 1. Risk and Crisis Management
- 2. Supply Chain Management
- 3. Customer Relationship Management
- 4. Innovation
- 5. Product & Service Quality
- 6. Coporate Governance
- & Business Ethics

#### Environment

- 7. Environmental Impacts of Project Development
- 8. Low Carbon Society
- 9. Eco Friendly Product

- 10. Workforce Health & Safety
- 11. Resident & Tenant Health, Safety, and Well - being
- 12. Human Capital Development
- 13. Talent Attraction and Retention
- 14. Corporate Social Investment (CSR)

15. Diversity & Inclusion

# Sustainability Material Topics and Scope of Reporting (102-47, 103-1)

Sustainability Dimensions	Sustainability Material Topics	GRI Standards Material Topics	Impact Boundary
	Risk and Crisis - Management		<ul> <li>Executives &amp; Employees</li> <li>Shareholder &amp; Investors</li> <li>Customer, Tenant, Resident</li> <li>Supplier &amp; Contractor</li> <li>Community &amp; Society</li> <li>Government &amp; Regulators</li> </ul>
	Supply Chain Management	GRI 204: Procurement Practices GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment	<ul><li>Executives &amp; Employees</li><li>Supplier &amp; Contractor</li></ul>
Economic	Customer Relationship Management	-	<ul> <li>Executives &amp; Employees</li> <li>Customer, Tenant, Resident</li> <li>Supplier &amp; Contractor</li> </ul>
	Innovation	-	<ul><li>Executives &amp; Employees</li><li>Customer, Tenant, Resident</li><li>Supplier &amp; Contractor</li></ul>
	Product and Service Quality	-	<ul> <li>Executives &amp; Employees</li> <li>Customer, Tenant, Resident</li> <li>Supplier &amp; Contractor</li> </ul>
	Corporate Governance and Business Ethic	GRI 205: Anti-Corruption	<ul> <li>Executives &amp; Employees</li> <li>Shareholder &amp; Investors</li> <li>Customer, Tenant,         Resident</li> <li>Supplier &amp; Contractor</li> <li>Government &amp; Regulators</li> </ul>

Internal	

External

Sustainability Dimensions	Sustainability Material Topics	GRI Standards Material Topics	Impact Boundary
	Environmental Impacts of Project Development	GRI 301: Materials GRI 303: Water GRI 305: Emissions GRI 306: Effluents and Waste GRI 307: Environmental Compliance	<ul> <li>Executives &amp; Employees</li> <li>Customer, Tenant,         Resident</li> <li>Supplier &amp; Contractor</li> <li>Community &amp; Society</li> <li>Government &amp; Regulators</li> </ul>
Environment	Low-carbon Society	GRI 302: Energy GRI 305: Emissions	<ul> <li>Executives &amp; Employees</li> <li>Customer, Tenant, Resident</li> <li>Supplier &amp; Contractor</li> <li>Community &amp; Society</li> <li>Government &amp; Regulators</li> </ul>
	Eco-friendly Product	GRI 308: Supplier Environmental Assessment	<ul><li>Executives &amp; Employees</li><li>Customer, Tenant, Resident</li><li>Supplier &amp; Contractor</li></ul>
	Workforce Health & Safety	GRI 403: Occupational Health and Safety	<ul><li>Executives &amp; Employees</li><li>Supplier &amp; Contractor</li></ul>
	Resident and Tenant Health, Safety, and Well-being	GRI 416: Customer Health and Safety	<ul><li>Executives &amp; Employees</li><li>Customer, Tenant, Resident</li><li>Supplier &amp; Contractor</li></ul>
Social	Human Capital Development	GRI 404: Training and Education	Executives & Employees
0,7	Talent Attraction and Retention	GRI 404: Training and Education	Executives & Employees
	Corporate Social Investment	GRI 201: Economic Performance	<ul><li>Executives &amp; Employees</li><li>Community &amp; Society</li></ul>
	Diversity and Inclusion	GRI 405: Diversity and Equal Opportunity	Executives & Employees

Internal

External

# Stakeholder Engagement (102-40, 102-42, 102-43, 102-44)

is an integral part in determining the direction for sustainable development of the organisation. Sansiri has analysed the organisation's operation to identify stakeholders that are affected in terms of sustainability

Engagement with internal and external stakeholders and have informed the respective stakeholders of the material topics that concern each stakeholder group. Stakeholder feedback is subsequently integrated into the Company's decision-making and business planning process.

Stakeholders	Stakeholder Engagement Approach	Stakeholder Expectation
Investor and Shareholder	<ul> <li>Annual General Meetings and Extraordinary General Meetings</li> </ul>	<ul><li>Business performance</li></ul>
Executives & Employees	<ul> <li>Quarterly meetings with employees to exchange views and feedback e.g. PSD Town, Town Hall</li> <li>Annual employee visits at factories and developing projects</li> </ul>	<ul> <li>Business direction and policy</li> <li>Career opportunities</li> <li>Welfare and benefits</li> <li>Employee development</li> </ul>
Customer, Tenant and Resident	<ul> <li>Customer satisfaction surveys throughout the operation, before and after the delivery of every project unit</li> <li>Home Service Application</li> <li>Call Centre 1685</li> </ul>	Product and service quality
Community & Society	<ul> <li>Public hearings with communities for the preparation of Environmental Impact Assessment reports for high-rise projects</li> </ul>	<ul> <li>Operation does not adversely impact the well-being of the community</li> </ul>

Stakeholders	Stakeholder Engagement Approach	Stakeholder Expectation
Supplier & Contractor	Monthly business partner meetings	<ul><li>Business performance</li><li>Fair market competition</li><li>Transparency and responsibility</li></ul>
Government & Regulators	<ul> <li>Submission of Environmental Impact Assessment (EIA) reports to the Office of Natural Resources and Environmental Policy (ONEP) prior to the commencement of projects</li> <li>Submission of the Environmental Quality Monitoring Report according to measures defined in the EIA report to ONEP every 6 months prior to the commencement of projects</li> </ul>	<ul> <li>Social Inclusiveness</li> <li>Legal Compliance</li> <li>Transparency and responsibility</li> <li>Completeness of EIA reports</li> </ul>
Market Competitors	<ul><li>Competition in the property development business</li></ul>	<ul><li>Fair market competition</li></ul>

# Contact Channel (102-3, 102-53)

For more information, please contact below channel.

Corporate Planning and Sustainability Development Department Sansiri Public Company Limited (Head Office)

475 10<sup>th</sup> Fl. Siripinyo Bldg. Sri Ayutthaya Rd., Rajthevi, Bangkok 10400.

Tel. +66 (0) 2 201 3374 Fax. 0-2201-3905 E-mail: ssd@sansiri.com

AWARDS AND RECOGNITIONS

## **AWARDS AND RECOGNITIONS**



#### The International Design & Architecture Awards 2017

Sansiri's 98 Wireless Project received the Best Luxury Residence – Global award at The International Design & Architecture Awards 2017 event. It is organised annually by an international leading interior design magazine "Design et al". It is also recognised as the world's best design award and widely accepted in the United Kingdom.





#### Thailand Property Awards 2017

Sansiri received the winner awards at The 12<sup>th</sup> Thailand Property Awards 2017 event. The Line Phahon – Pradipat Project received two awards namely the Best High-Rise High – End Condominium Development – Bangkok and the Best Universal Design Development – Bangkok. The Line Sukhumvit 101 received the Best High Rise Condo Architectural Design award. Sansiri also received a Special Recognition in CSR award which reflects an outstanding social responsibility performance.

#### Le Fonti IAIR Awards 2017

Sansiri received the winner award at Le Fonti IAIR Awards 2017 event, in the categories of Company of The Year - Luxury Real Estate Thailand and the CEO of the year in Property and Real Estate Thailand. The event intends to provide ranking and awards to leading organisations with excellence in innovation and leadership globally.



#### AMCHAM CSR Excellence Award and Recognition

Sansiri received the Certificate of Recognition (Silver Status) in recognition of an outstanding social responsibility from AMCHAM Thailand's AMCHAM CSR Excellence Award and Recognition 2017. It is awarded to AMCHAM Thailand members who demonstrate a connection between business and social responsibility as well as create long-term values. Sansiri was honoured to receive this award for the 4<sup>th</sup> consecutive year.





Thailand's Most Admired Brand 2017's Property

Sansiri received the winner award in property category as the most trusted real estate company in 2017 from 2017 Thailand's Most Admired Brand event. It was organised by Thailand's leading marketing magazines BrandAge and The Company. Sansiri has received this award for the 4<sup>th</sup> consecutive year. The selection criteria includes product innovation creativity capability, organisation's image and social responsibility, business operation and business success, service, brand image and executives officers.

2017 Frost & Sullivan Thailand Excellence Awards

Sansiri received the Property Development Product Leadership Award for the 2<sup>nd</sup> consecutive year at 2017 Frost & Sullivan Thailand Excellence Awards event. It is an award for the best-in-class organisations which reflect excellence in demand forecast, brand protection, and strength analysis from competitors. The consideration is based on the ability to meet user's needs, design, location, product value, growth potential, and the real estate development market for residences in Thailand overview.

GRI CONTENT INDEX

# **GRI CONTENT INDEX**

GENERAL DISCLOSURES				
GRI Standard	Disclosu	ıre	Page Number(s) and/or URL	Omission / Remark
GRI 102 General Disclosures 2016	102-1	Name of the organisation	14, 192	-
	102-2 <sub>CRE</sub>	Activities, brands, products, and services	14-15	-
	102-3	Location of headquarters	204	https://www.sansiri.com/en/contact
	102-4	Location of operations	16	-
	102-5	Ownership and legal form	204	https://www.sansiri.com/eng /corporate-info
	102-6	Markets served	14-15	-
	102-7	Scale of the organisation	16	-
	102-8	Information on employees	16,	-
		and other workers	186-187	
	102-9 <sub>CRE</sub>	Supply chain	22-23, 74-79	-
	102-10 <sub>CF</sub>	Significant changes to the organisation and its supply chain	19-21	-
	102-11	Precautionary Principle or approach	64-67	-
	102-12	External initiatives	34-35	-
	102-13	Membership of associations	204	Sansiri is a member of Thai Real Estate Association (TREA: http://www.thairealestate.org) Thai condominium Association (http://www.thaicondo.or.th) and Real Estate Information Centre (REIC: http://www.reic.or.th)
	102-14	Statement from senior decision - maker	9	-
	102-15	Key impacts, risks, and opportunities	38-39, 42, 44, 67	-
	102-16	Values, principles, standards, and norms of behaviour	12, 33	-
	102-17	Mechanisms for advice and concerns about ethics	61	-
	102-18	Governance structure	204	See Sansiri Annual Report 2017 page 93 (TH) and 93 (ENG), or https://www.sansiri.com/eng /corporate-directors
	102-19	Delegating authority	32	-
	102-20 <sub>cr</sub>	Executive - level responsibility for economic, environmental, and social topics	32	-

GENERAL DISCLOSURES					
GRI Standard	Disclosu	ire	Page Number(s) and/or URL	Omission / Remark	
	102-22	Composition of the highest governance body and its committees	205	See Sansiri Annual Report 2017 page 73-75 (TH) and 73-75 (ENG), or https://www.sansiri.com/eng /corporate-directors	
	102-23	Chair of the highest governance body	205	See Sansiri Annual Report 2017 page 73 (TH) and 73 (ENG), or https://www.sansiri.com/eng /corporate-directors	
	102-24 <sub>CF</sub>	Nominating and selecting the highest governance body	205	See Sansiri Annual Report 2017 page 75 (TH) and 75 (ENG), or See Nomination of Director Candidate, or https://www.sansiri.com/eng /shareholder-agm	
	102-26	Role of highest governance body in setting purpose, values, and strategy	32, 54-55	-	
	102-27	Collective knowledge of highest governance body	56	-	
	102-28	Evaluating the highest governance body's performance	205	See Sansiri Annual Report 2017 page 134 (TH) and 130 (ENG)	
	102-29	Identifying and managing economic, environmental, and social impacts	32, 64-66	-	
	102-30	Effectiveness of risk management processes	32, 64-66	-	
	102-31	Review of economic, environmental, and social topics	32	-	
	102-32	Highest governance body's role in sustainability reporting	192	-	
	102-33	Communicating critical concerns	61	-	
	102-34	Nature and total number of critical concerns	61	- -	
	102-35	Remuneration policies	205	See Sansiri Annual Report 2017, page 85 (TH) and 86 (ENG).	
	102-36	Process of determining remuneration	205	See Sansiri Annual Report 2017, page 85 (TH) and 86 (ENG).	
	102-37	Stakeholders' involvement in remuneration	205	See Sansiri Annual Report 2017, page 85 (TH) and 86 (ENG).	

102-40 List of stakeholder groups

196-197

SUSTAINABILITY REPORT 2017

		GENERAL DISCLOSURES				
GRI Standard	Disclosu	ire	Page Number(s) and/or URL	Omission / Remark		
GRI 102 General Disclosures 2016	102-41	Collective bargaining agreements	-	Information is not available. Sansiri currently does not collaborate with trade union for establishing Collective bargaining agreement. Such action is planne to initiate in the future.		
	102-42	Identifying and selecting stakeholders	196	-		
	102-43	Approach to stakeholder engagement	196-197	-		
	102-44	Key topics and concerns raised	196-197	-		
	102-45	Entities included in the consolidated financial statements	192	-		
	102-46	Defining report content and topic Boundaries	192	-		
	102-47	List of material topics	193-195			
	102-48	Restatements of information	206	No restatement in 2017.		
	102-49	Changes in reporting	206	Sansiri revised material topics and disclosed management approache of all revised topics in this year Sustainability Report 2017.		
	102-50	Reporting period	192	-		
	102-51	Date of most recent report	192	-		
	102-52	Reporting cycle	192	-		
	102-53	Contact point for questions regarding the report	197	-		
	102-54	Claims of reporting in accordance with the GRI Standards	192	-		
	102-55	GRI content index	204-211	-		
	102-56	External assurance	206	No external assurance of report.		
GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	In each section of the Sustainability Report	-		
	103-2	The management approach and its components	In each section of the Sustainability Report	-		
	103-3	Evaluation of the management approach	In each section of the Sustainability Report	-		

TOPIC-SPECIFIC D	ISCLOSU	RES		
GRI Standard	Disclosu	ire	Page Number(s) and/or URL	Omission / Remark
Risk and Crisis Man	agement			
Not Applicable	-	Number of investigated risks that are managed to be at risk appetite level	67-69	-
Supply Chain Mana	gement			
GRI 204 Procurement Practices 2016	204-1	Proportion of spending on local suppliers	74	-
GRI 308 Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	74	-
GRI 414 Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	74	-
Customer Relations	hip Manag	gement		
Not Applicable	-	Customer Satisfaction survey (e.g. Customer Satisfaction Index, Net Promoter Score, Customer Satisfaction Score)		-
Innovation				
Not Applicable	-	Number of innovation(s) that is applicable on project design and development	43	-
Product & Service Quality				
Not Applicable	-	Complaint management in regard to project quality	95	-

TOPIC-SPECIFIC I	DISCLOSUI	RES		
GRI Standard	Disclosur	е	Page Number(s) and/or URL	Omission / Remark
Corporate Governa	ance & Busi	iness Ethics		
GRI 205 Anti-Corruption	205-1	Operations assessed for risks related to corruption	59	-
2016	205-2	Communication and training about anti-corruption policies and procedures	59	-
	205-3	Confirmed incidents of corruption and actions taken	61, 184	-
Environmental Imp	acts of Proj	ect Development		
GRI 301 Materials 2016	301-1 <sub>CRE</sub>	Materials used by weight or volume	185	-
GRI 303 Water 2016	303-1 <sub>CRE</sub>	Water withdrawal by source	185	-
GRI 307 Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	105,186	-
G4 Sector Disclosure Construction & Real Estate	CRE2	Building water intensity	185	-
Low-carbon Socie	ty			
GRI 302 Energy 2016	302-1 <sub>CRE</sub>	Energy consumption within the organisation	108,185	-
GRI 305 Emissions 2016	305-1 <sub>CRE</sub>	Direct (Scope 1) GHG emissions	185	-
	305-2 <sub>CRE</sub>	Energy indirect (Scope 2) GHG emissions	185	-

TOPIC-SPECIFIC DISCLOSURES				
GRI Standard	Disclosu	re	Page Number(s) and/or URL	Omission / Remark
Low - Carbon Soci	ety			
G4 Sector	CRE1	Building energy intensity	185	_
Disclosure Construction &	CRE3	Greenhouse gas emissions intensity from buildings	186	-
Real Estate	CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	104	-
Eco-Friendly Produ	uct			
GRI 308 Supplier Environmental Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	118	-
Workforce Health &	& Safety			
GRI 403 Occupational Health And Safety 2016	403-1	Workers representation in formal joint management–worker health and safety committees	123	-
	403-2 <sub>CRE</sub>	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	124, 133	-

TOPIC-SPECIFIC DISCLOSURES				
GRI Standard	Disclosure	9	Page Number(s) and/or URL	Omission / Remark
Resident & Tenant	Health, Saf	ety, and Well-being		
GRI 416 Customer Health and Safety 2016	416-1 <sub>CRE</sub>	Assessment of the health and safety impacts of product and service categories	162	-
	416-2 <sub>CRE</sub>	Incidents of non-compliance concerning the health and safety impacts of products and services	170	-
Human Capital Dev	relopment			
GRI 404 Training And	404-1 <sub>CRE</sub>	Average hours of training per year per employee	138, 189	-
Education 2016	404-2	Programmes for upgrading employee skills and transition assistance programmes	138-145	-
Talent Attraction an	nd Retention	า		
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	149-150, 153-154, 188	-
	401-3	Parental leave	189	-
	404-3	Percentage of employees receiving regular performance and career development reviews	152, 189	-

TOPIC-SPECIFIC DISCLOSURES				
GRI Standard	Disclosure	9	Page Number(s) and/or URL	Omission / Remark
Corporate Social Ir	nvestment			
GRI 201 Economic	201-1 <sub>CRE</sub>	Direct economic value generated and distributed	181, 184	-
Performance 2016		Direct economic value generated	184	-
		Economic value distributed	184	-
		Payment to provider of capital	184	-
		Philanthropic contribution	184	-
Diversity & Inclusio	n			
GRI 405 Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	159, 187	-

READER SURVEY



# **READER SURVEY**

Your views and suggestions will be incorporated in the improvement of Sansiri Sustainability Report. Please mark X in  $\square$  or provide a comment in the space provided. 1. Which of the following groups are applied to you? ☐ Sansiri's Employee ☐ Customer / Resident / Tenant ☐ Partner / Supplier / Contractor ☐ Investor/Shareholder/Financial Institute ☐ Government / Regulators ☐ Community / Society ☐ Others (Please specify. 2. How do you find out about Sansiri Sustainability Report? ☐ Sansiri's Website ☐ Seminar / Lecture / Exhibition ☐ Sansiri's Employee ☐ Annual General Meeting of Shareholders ☐ Others (Please specify \_ 3. Please rate your level of satisfaction for the Sansiri Sustainability Report 2017 Completeness of the report ☐ High Medium Needs improvement High ☐ Medium ☐ Low Topics presented in the report Needs improvement ☐ High ☐ Medium Low Needs improvement Interesting content High ☐ Medium ☐ Low Easy to understand Needs improvement High ☐ Low Report design Medium Needs improvement Overall satisfaction of the report ☐ High Medium ☐ Low Needs improvement 4. Which of Sansiri's sustainability topics are you interested in? (Please specify reasons) 5. Additional suggestions for the next report Please fill the survey and submit to Sansiri Public Company Limited

Thank you for your cooperation



# 475 SIRIPINYO BUILDING, 10<sup>TH</sup> FLOOR, SRI AYUTTHAYA ROAD, THANON PHAYATHAI SUB-DISTRICT, RAJTHEVI DISTRICT,

BANGKOK 10400 THAILAND

# CORPORATE PLANNING AND SUSTAINABILITY DEVELOPMENT DEPARTMENT SANSIRI PUBLIC COMPANY LIMITED

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ช่ะเหมินเป็วรากรีบาคระระช 4825/701.พ พิษคาพิตาญภูถิยาใ บันหานาค.ค.กษา

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SUSTAINABILITY REPORT 2017 SANSIRI PUBLIC COMPANY LIMITED

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