

# Sustainable Development Report 2015

รายงานการพัฒนาอย่างยั่งยืน 2558



# Contents



- 01 - Message from the Chairperson
- 02 - Message from the Chief Operation Officer and Managing Director
- 04 - Corporate philosophy and operational objective
- 05 - Scope of report and the company's projects
- 06 - Sustainable development framework of Charn Issara
- 08 - Strategy for sustainability of Charn Issara
- 09 - Structure of governing sustainable development of Charn Issara
- 10 - Corporate governance/compliance



## **Scope of our responsibility**

- 12 - Criteria of identifying all interest parties of Charn Issara
- 13 - Interest parties of Charn Issara



## **Risk assessment and the selection of important issues for sustainable development**

- 16 - Risk management
- 17 - The selection of important issues for sustainable development



## **Health & Safety**

- 18 - Concept and policy on hygiene and safety, operation and feedback for the year 2015, future operation and development plan

## **Happiness**

- 31 - Concept and policy on happiness, operation and feedback for the year 2015, future operation and development plan



## **Value**

- 38 - Concept and policy on value, operation and feedback for the year 2015, future operation and development plan

## **Environment**

- 45 - Concept and policy on environment, operation and feedback for the year 2015, future operation and development plan

## Message from the Chairperson

The property development of residential units as one of the 4 necessities for living is a social responsibility. The end product has always been worthy. It has been designed meticulously with attention on every steps. Happiness, customers' satisfaction, and the satisfaction of producer and seller are social responsibility. Responsibility, after sale services as oppose to negligence on sold project, taking care of and operate the juristic person of the housing estate to prevent problem from arising is social responsibility. Employment and human resources development on both skills and knowledge, ethic, morale, promote the upholding of three core values, Nation, Monarchy and Religion including the care of employee for their health and happiness so that they can perform their duties well is social responsibility. The cautious operation and expansion, with due diligence, transparency and increase variety for sustainable development, at the same time reduce the fluctuation of realized income for the confidence and satisfaction of investor is a social responsibility. The joint venture with good partner for the business growth and sustainable economic development is a social responsibility. Attention on surrounding community, environment, eco system and nature, energy saving and due regard to even a tree is social responsibility. Anti-corruption is a social responsibility. The sharing of good things to the society, assistance provided to the poor and under privilege, promotion of Budha Panya education to solve basic problems of the nation including the contribution to Buddhist is social responsibility.

Charn Issara Development PLC. and its subsidiaries recognized that the social responsibility create sustainability for the Company and everyone concerned including community, society, and the Nation. We have continuously performed as mentioned above with dedication and shall continue to do so, we remain.

Mrs.Srivara Issara  
Chairperson  
Charn Issara development PCL.

## **Message from Chief Operating Officer and Managing Director**

Charn Issara Development PLC realized the important of sustainable development which results in its operation, create innovation which is our intention to develop the Company into a company of sustainable management. The Company established a committee and working group on sustainable development in 2015 to mobilize the preparation and direction to become a property development company with sustainable development. It intends to build awareness and better understanding among interest parties by focusing on the building of 4 cores equilibrium for all interest parties as follows:-

- Health & Safety – focusing on good health and living, safety in life,
- Happiness – focusing on happiness and freedom in life,
- Values – focusing on creating a balanced value for stakeholders,
- Environment – Attention on harmony, support and become part of an ecology system in the area

Those 4 cores equilibrium is regarded as a responsibility for and relationship with stakeholders from a leading property development company like us.

This report is prepared in accordance with international standard to show details, operating results of the Company and the management for sustainable development in the year 2015 including its future plan to keep the interest parties informed of the progress and operational direction with a focus on the management for sustainable development in the future. The report demonstrates our determination to develop the business and all related parties including the society, country, environment, natural resources, in which we have progressed in sustainable development in past year such as:-

- Team building to propel sustainable development for the entire organization, setting up target with focus on the success of end results. This has been treated as an important matter in our company to uphold in parallel to the organization motto.
- The focus on team building and everyone in our company by using Dhamma as a life guideline, development of ethic and morale (Soft side skills) and in conjunction with knowledge and skills development for work performance (Hard side skills).
- Development of co-operation with our alliance, customer, and community by creating an achievable target and delivering an initiative idea such as a quality house which is good for the residents' hygiene. Support of community's products to distribute income to the community.

- Product development: the investment in various projects focus on more sustainable development of product to enable a quality and beautiful product and create new experience for our customer such as the use of new technology in house construction, the design that correspond with the eco system and retain the beauty for instance.
- Operation on environment such as the reduction of construction debris, energy saving house project or the participation in green hotel project.

It is evidenced that sustainable development has been a heart of business operation at Charn Issara for a long time. The promotion of such for the sake of clarity on our intention on sustainable development for the company, community, society, and the nation is therefore not difficult for us. In fact, this is an opportunity for us to demonstrate our idea and true intention to jointly build sustainability for the Company, community, society and our Nation.

Mr. Songkran Issara  
Chief Executive Officer/Managing Director  
Charn Issra Development PCL.

### **Our organization's motto**

Core integrity, strong unity and great health

### **Our vision**

We are a leading Thai property development company with determination to create experience and taste of living on innovation and design with character, blending in with the environment for the long term satisfaction and happiness of customer and all concerned parties.

### **Our missions**













1. Develop a strong professional teamwork with readiness to create project,
2. Deliver a quality project for an impression beyond consumer's expectation,
3. Maintain size of the organization for flexibility in doing business,
4. Adhere to operate business under the framework of sustainable development and with responsibility on consumers' quality of life and concerned parties in economic, social and environmental side with equilibrium,
5. Maintain trust and confidence of consumer on the basis of transparency, sincerity, and honesty.
6. Create satisfaction and deliver a continued growing return suitable for interest parties.

### **Our core values**

I: Innovation	:Develop and invent a creative innovation on the basis of morale, ethic and rightness for happiness and unity of the organization.
S: Satisfaction	:Create satisfaction for consumer and related parties.
S:Sincerity	:Sincere in working and delivering quality products to consumers.
A: Accountability	:Create trust and confidence for consumer.
R:Responsibility	:Responsible for consumer, business partners, shareholders, society and the Nation.
A:Appreciation	:Create value and goodwill on product, good attitude with positive thinking towards all departments in the organization.

## Scope of this report and the Company's project

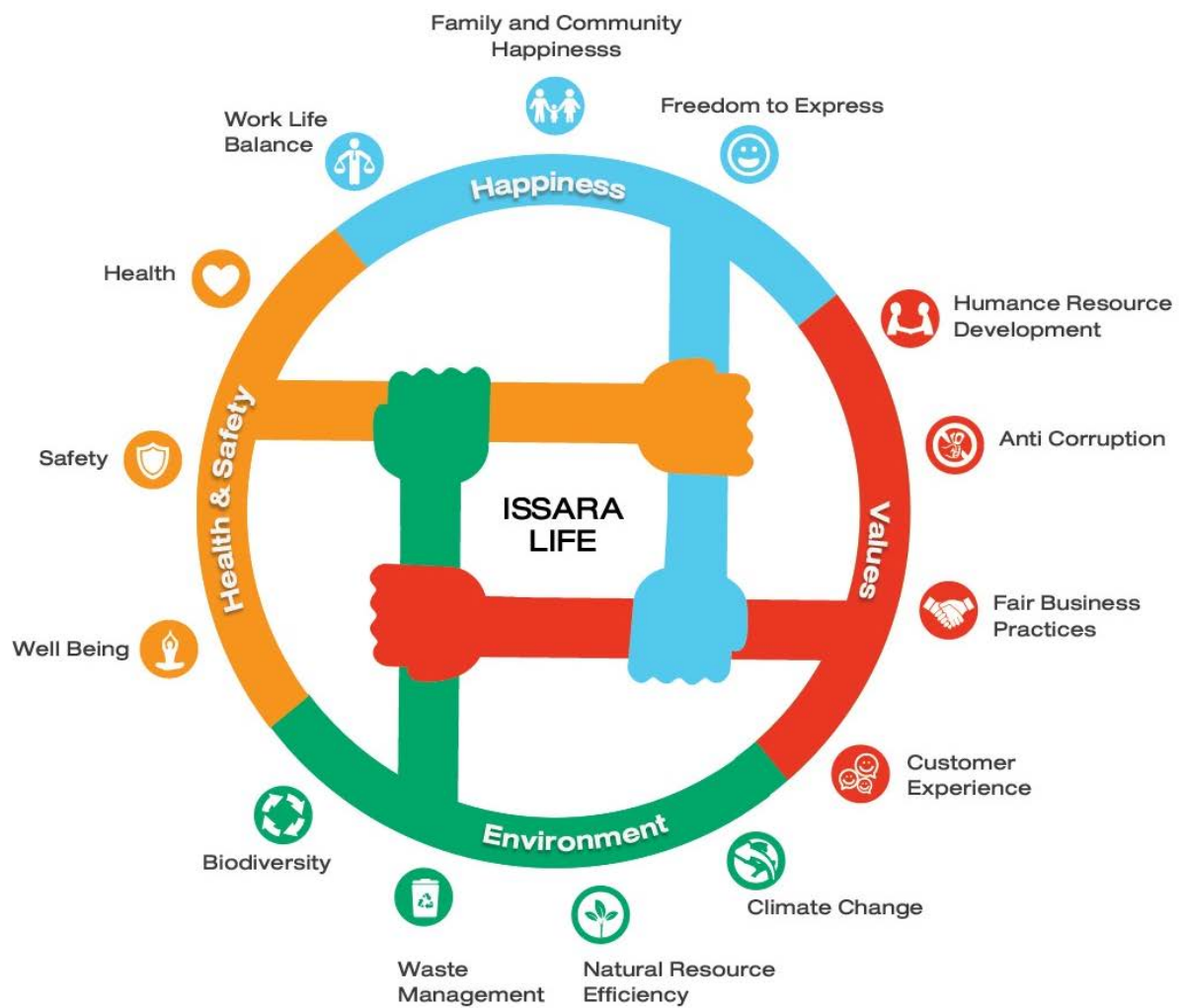
This sustainable development report is made on an annual basis. In past year it was separated from the annual report under the name of "Sustainable Development Report for the year 2015". This report is a consolidation of operating results in sustainable development between January 1 to December 31, 2015 with coverage on economic, social and the environment under the scope of project development information that Charn Issara manage and responsible for in whole. In addition, this report has developed its contents for the coverage and completeness and was prepared in accordance with the scope of reporting from Global Reporting Initiatives version 4 (GRI-G4).

<p>Baan Thew Talay : Aqua Marine</p>  <p>Cha am – Hua hin</p>	<p>Baan Thew Talay : Blue Sapphire</p>  <p>Cha am – Hua hin</p>	<p>BLU</p>  <p>Cha am – Hua hin</p>
<p>Baan Sita Wan</p>  <p>Pakchong - Khaoyai</p>	<p>Issara Collection Sathorn</p>  <p>Bangkok</p>	<p>Baba Beach Club</p>  <p>Phuket</p>
<p>The Issara Ladprao</p>  <p>Bangkok</p>	<p>ISSI Condo Suksawat</p>  <p>Bangkok</p>	<p>The Issara Chiangmai</p>  <p>Chiangmai</p>
<p>Issara Village</p>  <p>Cha am – Hua hin</p>	<p>Sri Panwa</p>  <p>Phuket</p>	<p>Charn Issara Tower I &amp; II</p>  <p>Bangkok</p>

## **Scope of operation in sustainable development**

From the Company's vision that focus on creating experience and taste of living with innovation and unique design blending in with the environment for the long term satisfaction and happiness of customers and all interest parties, the Company is therefore setting up a scope of sustainable development for the main business objective under the concept of "free life" (ISSARA LIFE). It is a concept of responsible operation with dedication and attention to create 4 cores equilibrium which are Health & Safety, Happiness, Values, and Environment for the utmost benefits of all interest parties. From such background we have developed by studying principles and international standard (SD Principles) and incorporate those into an internal context of Charn Issara, from mission and vision on sustainable development in conjunction with business philosophy which cover all stages of the Company's operation. Starting from acquiring land, feasibility study, design, construction, handling over including after sale services, how those operations affect or relate to stakeholders and how to create equilibrium for stakeholders to achieve our joint objective of sustainable development. In order to achieve a joint objective for sustainable development of Charn Issara the Company has consolidated opinions of working group on sustainable development that the Company has established for outlining scope and mechanism, re-checking and summarize into a big picture for presentation to the senior management through the sustainable development committee. The presentation represents a clear scope of operation which led to an organizational development into a sustainable property development company under recognition of community and society.

## Charn Issara Sustainability Development Framework



## **Strategy on sustainability of Charn Issara**

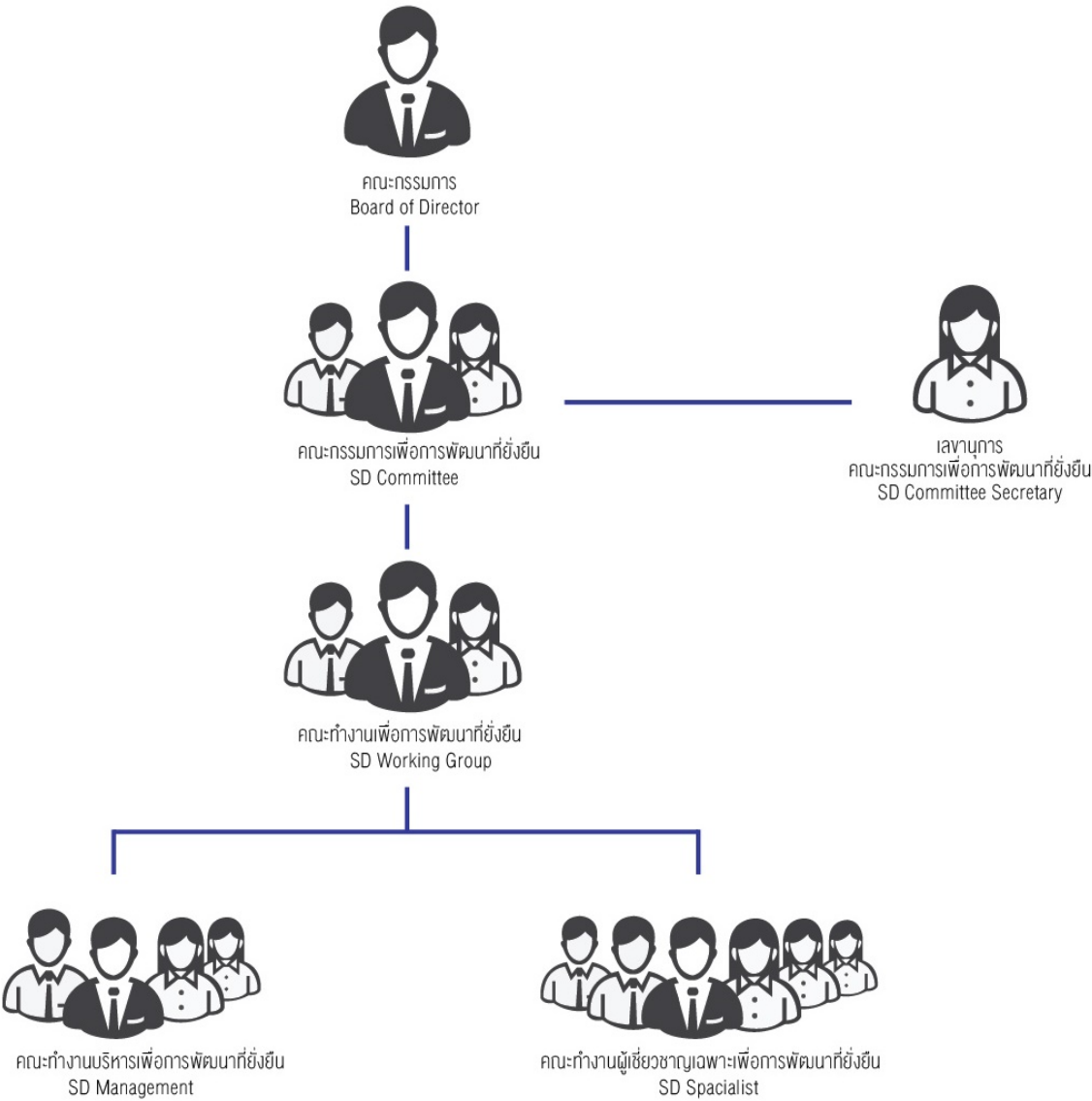
### **Inception strategy**

Communicating the sustainable development policy to staff with an emphasis on giving information and create understanding in the organization for a joint objective including an encouragement on participation with an aim on sustainable development.

### **Medium term strategy on each area**

- Health and safety with focus on health, safety and well-being.
  - Develop home and residential design with due consideration on health and safety of resident
  - Adopt modern construction technology
  - Emphasis on construction supervision on both quality and safety
- Happiness with focus on work life balanced, family and community, freedom to express
  - Arrange a good working environment
  - Create and develop human resource development system
  - Life enrichment in accordance with Dharma for staff, community, and society
  - Compliance with human right rules
  - Encourage joint activity with surrounding community to projects
  - Promote income earning for community
- Values with focus on fair business practices and anti-corruption
  - Operate within corporate good governance principles and rules compliance
  - Refrain from demanding, paying any benefits which are unlawful
  - Compliance with condition and term of agreement
  - Create co-operation, development and growth in conjunction with interested parties
- Environment with focus on biodiversity, waste, energy, climate change
  - Investigate and assess environmental impact as a result of the Company's operation
  - Control the working process to reduce environmental impact, energy consumption, and garbage disposal
  - Measures to protect eco system and the environment around the project

Structure of supervision on sustainable development of Charn Issara



## **Corporate Governance**

The Company has designated a clear guideline of supervision on sustainable development with an emphasis on the transfer of sustainable development policy from the top management to the operation and the reflection of operating results to the top management through 2 important parties which are sustainable development committee and sustainable development working group which have been appointed with a clear assigned duty and responsibility.

### **Roles of sustainable development committee**

1. Setting up policy, strategy, management, analysis and assign policy from top management to the operating team,
2. Follow up and giving out opinion related to strategy, management, analysis, and reviews the Company's issues on sustainability.

### **Roles of working committee on sustainable development**

1. SD Management: adopt policy, strategy, management and analysis principles from the committee to review on the Company's sustainable development for operational direction in each year,
2. SD Specialist: manage those operating issues received from SD Management,
3. Arrange to get an annual report done then propose to the SD Committee for further submission to the Company's Board of Directors who are the highest management on issues of economic, social, and environment for acknowledgement and opinion.
4. Convey the policy into real operation,
5. Follow up and make assessment of operating results,
6. Propose ideas on the development of works for sustainability to the Board of Directors.

### **Follow up process, review and operating results assessment**

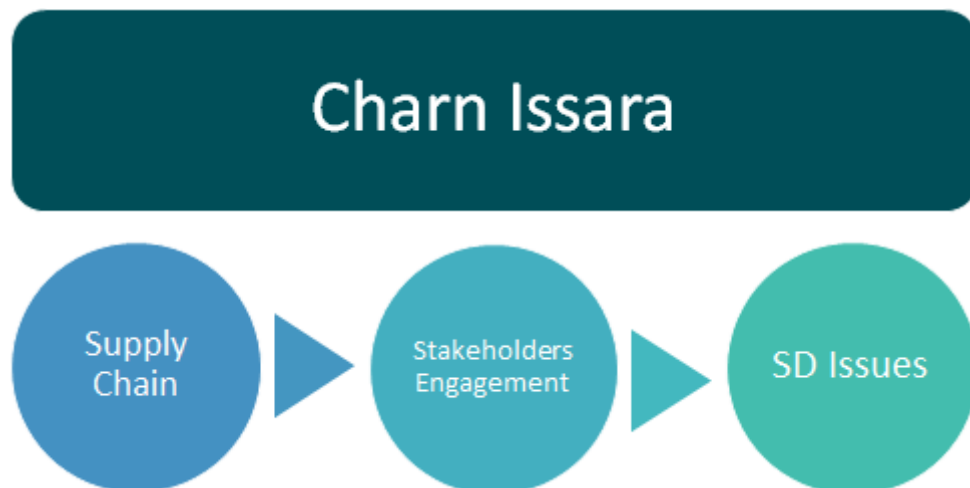
In following up, review and making assessment on the operating results related to sustainability the Company requires the sustainable development working group to present and summarize operating results to the Board of Directors twice a year. From the end of 2015 to 2016 the sustainable development working group has been developing a suitable assessment tool for an accurate and appropriate review.

## **Process of the operating report to the Company's Board of Directors and Sustainable Development Committee**

1. Annual report presented to the Company's Board of Directors and top management
2. Progress report and operating report to the sustainable development committee twice a year for acknowledgement and opinion.

## **Supply chain and roles of all interest parties**

The Company has operated, designated and analyzed supply chain or value chain of Charn Issara and able to identify interest parties of each supply chain including its connection.



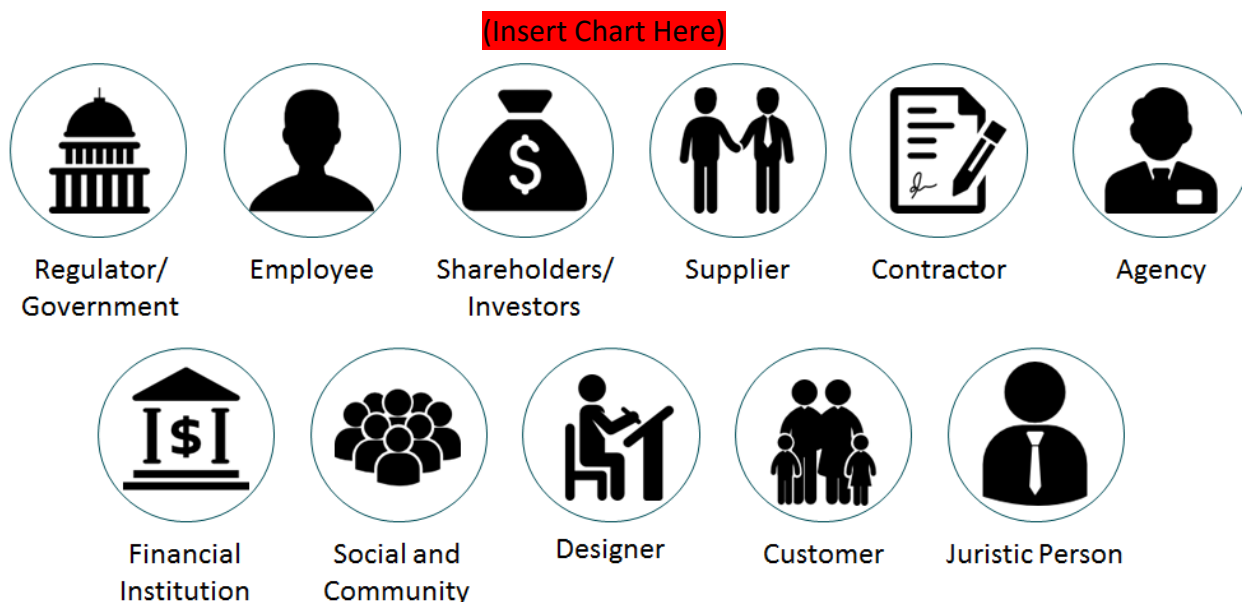
Interest parties are regarded for their important roles to the Company's operation. To enable the Company to look after all interest parties with the right approach the Company has gathered and classified group of interest parties through meeting process and with a joint summary with working group and all parties in the supply chain. This allows a management of consolidated issues and a process of connectivity of each interest party who demand and expect from the Company with full coverage in the future.



### Supply Chain of Charn Issara

### Interest parties of Charn Issara

The year 2015 was a year of learning process on connecting the Company's interest parties. The issue outlining process was made mainly in the Company through meeting with management and staff in all departments who are connected with interest parties. The outcome of those connections has enabled a classification of 11 groups of interest parties as follows:-



### Summary table of interest parties of Charn Issara and channel of communication

Interest parties	Channels of Communication
Staff	- Annual Report
	- PR Poster
	- Staff meeting
	- E-mail
	- Website
	- Center for opinion and recommendation
Shareholder	- Annual Report
	- E-mail
	- Website
Customer	- Annual Report
	- E-mail
	- Website
	- Advertising and PR
	- Call center
	- Center for opinion and recommendation
Alliance and business partner	- Telephone
	- E-mail
	- Website
	- Meeting
Contractor/employee	- Telephone
	- E-mail
	- Website
	- Meeting

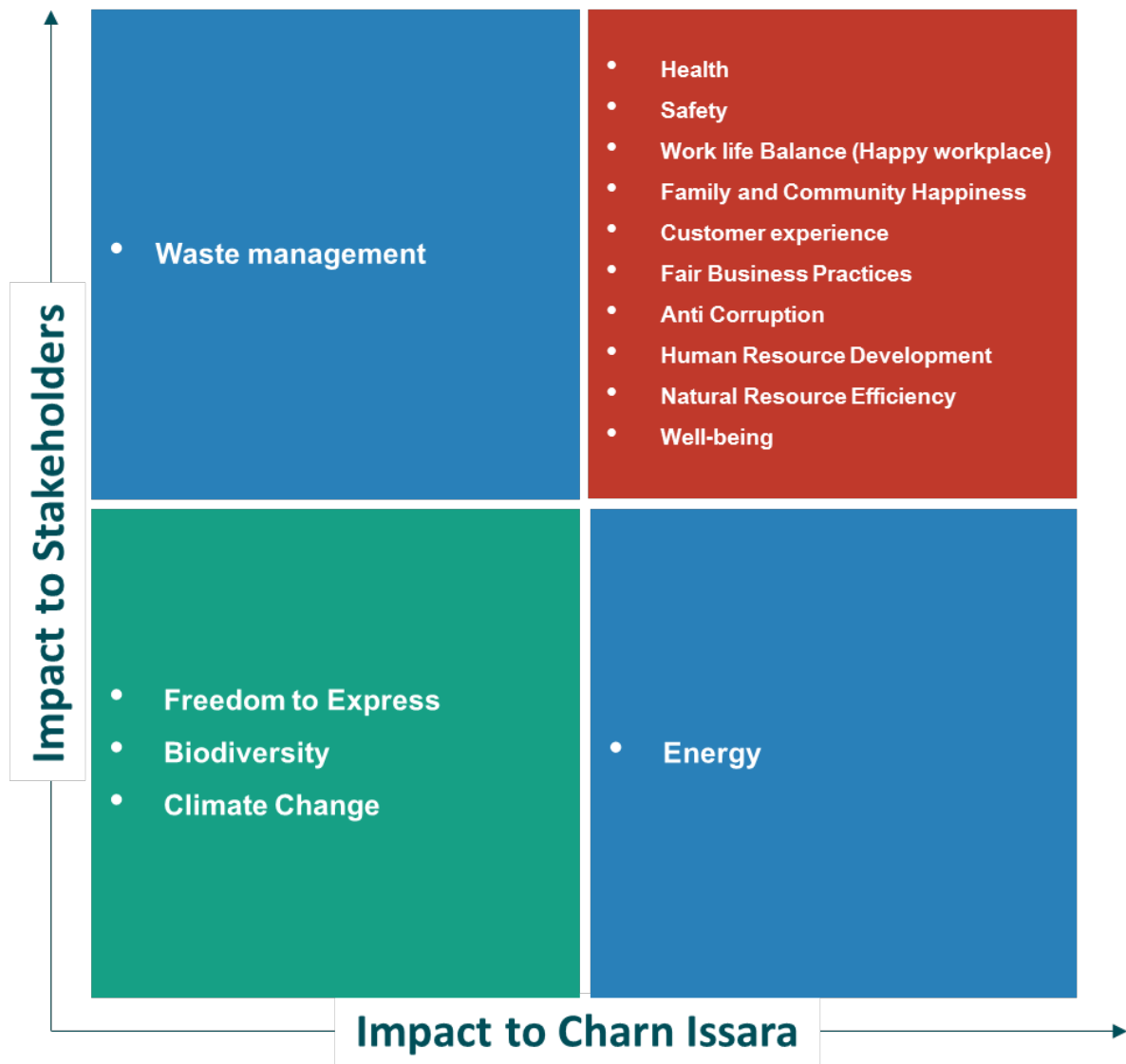
Designer	- Telephone
	- E-mail
	- Website
	- Meeting
Juristic person	- Telephone
	- E-mail
	- Website
	-Meeting
Financial Institution	- Telephone
	- E-mail
	- Website
	-Meeting
Government Departments	- Telephone
	- E-mail
	- Website
	- Meeting

## **Risk Management**

The Company has set up a guideline of risk management by having the Risk Management Committee established in 2015 to assess the overall risks of the organization and develop the risk framework. The framework is a plan to integrate risk management policy with coverage on economic, social, environment and manage those risks in accordance with the sustainable development policy of the organization. There will be an analysis process, re-checking and follow up on operation and reporting process by the adoption of Enterprise Risk Management Integrated framework (COSO ERM). There was a classification of risk into 4 types which are strategic risk, operating risk, financial risk and compliance risk. Currently the Company is in the process of developing risk management policy for submission to the Board of Directors for approval and effect the use of such policy. In addition there were social and environmental risks which have been taken into consideration for a better plan of risk management such as the use of water resource in hotel business may affect the community. To manage this risk we have developed an artesian well at Sripanwa to reduce the affect on community with a plan to do a PR for the community and society to know for a better understanding in the future, for instance.

### **The selection of important issue for sustainable development**

The selection of important issues in the year 2015 was taken as an inception year to adopt a guideline and process of selecting important issues. The Company has assigned the working group to consider important issues to the Company's sustainable development through meeting with the management and representative from each department to summarize important issues for submission to the sustainable development committee and the Company's top management. The working committee has considered important issues from vision, strategy, management framework on sustainability, risk factors which may affect all interested parties and fill those in matrix to identify important issues which will lead to risk management to reduce those risks and affects on each issues. In the year 2015 there were following issues identified:-



## Health & safety

### Concept and policy

The Company recognizes and takes health seriously as appears on our motto “great health”. In our operation, be producing goods or deliver services we have considered good thing to keep our interest parties healthy. We have adopted a new innovation in Baan Sitawan project including the development of performance and standard of Sripanwa where arrangement have been made for the convenient of health enrichment activity for both guests and staff. There have been maintenance, continued improvement, and development of new activity as a choice for guest and staff to reflect our concentration on health.

### Operation and feedback for the year 2015

1. The design of residential housing in all projects of the Company has taken into consideration the direction of light, wind and ventilation for good health and safety for resident. For example, at Baan Sitawan, Pakchong-Khaoyai there are following features:-
  - Orient the house into North-South for better lighting and ventilation
  - Equip the house with ventilation system for good ventilation. There is filter of up to 0.3-1 Micron on the air intake vent to catch all dust and pollen thereby allowing a good ventilation of fresh air even when all doors are shut.
  - Heat insulation on the roof and around the house is made of glass fiber which is harmless to residents. The insulation is packed in an aluminum foil which is durable to wear and tear.
  - Glass window is of green glass with the property of UV protection and cutting down heat from penetrating into the house up to 24% allowing a cool ambience in the house.
  - Air tightness on all openings and joints such as window and door frame, electrical switch, etc. with high quality material leaving no room for outside air to penetrate into the house resulting in noise protection, odour protection and preventing small insects or animals from entering the house.
2. The development of hotel service performance and its standard with a concentration on health enrichment for guest such as the development at Sripanwa Phuket as follows;\_

**HOLIDAY ACTIVITIES**

**SUNRISE YOGA**  
For many of us with hectic, stressful lives, relaxation comes easy with a chilled out session of basic yoga. Deep breathing, visualization, meditation & stretching postures are great ways to boost your energy and mood levels.

**THAI BOXING**  
A combat sport from the muay thai martial arts of Thailand that uses stand-up striking along with various clinching techniques. This physical & mental discipline which includes combat on foot is known as "the art of eight limbs" because it is characterized by the combined use of fists, elbows, knees, chin and feet.

**BARTENDER CLASS**  
Ready to start your kid's bartending skill? You've come to the right place! The kids are challenged to make drinks with Sripanwa recipes and relying on the guidance of a partner. The class is more about having fun and spending your afternoon with the kids.

**NAIL PAINTING**  
Nail painting is spectacular and fun! In this stunning class the kids learn how to create their own designs with techniques to create their own masterpiece. It is a fun and creative hobby & it's hard to stop!

**PRIVATE BOAT TRIP BY FREE TIME/FREE WILLY**  
Join us on our sexy speed boat Free Willy & Free Time cruise around Phuket's archipelago in style and discover a range of boating activities from snorkeling to fishing around some of the world's most beautiful islands and destinations like Phi Phi Islands and Phang Nga Bay.

**SPECIAL THAI COOKING CLASS**  
Join our Thai's Chef at Baba Cooking School & learn how to cook like a local. They will guide you to the dishes & you will be given the recipes so you can replicate them at home. Enjoy the meal you

- Improve health enrichment activity for guests such as adding 3 gym equipment in the gym, increase water sport activity including Kayak which have all received well responds from guests.

- Spa at the hotel are of health oriented such as special massage according to blood group, muscle relaxing, activate blood circulation. In addition all raw materials used are from nature such as ripe mango, tamarind paste, cucumber, orange, mint, turmeric, coffee bean, salt, for instance. There have been additional activities for guest such as yoga, and Thai boxing.

8 health enrichment activities that the hotel has prepared for guest are as follow:-

Activities	Meeting Point
Sunrise Yoga	Spa Yoga Deck
Body Stretching	Studio Room
Basic Yoga	Studio Room
Mat Pilates	Studio Room
Personal Trainer	Pool club
Thai Boxing	Pool club
Chaiya Boxing	Pool club
Tennis Class (Booking required)	Pool club

- Promote the use of pesticide free vegetable by growing own vegetable for cooking in the hotel
  -
3. Health oriented for people in the organization
- Annual check-up with comparative record for staff under consultation of doctor,
  - Gym, swimming pool for office staff,
  - Yoga class for staff, once a week,
  - Weight loss campaign for staff to loss no less than 2 Kgs. in 2 months through exercise until the weight come down to standard level,
  - Sripanwa hotel Phuket has employed staff in the first aid room to give health consultation to staff,
  - Arrange to have special activities, group health insurance and dental benefits,
  - Flu vaccination for staff.

- Health training for staff on regular basis covering hygienic, self-evaluation of health including PR of health related information from local authority such as the vaccination by provincial health department for staff to benefit from.
- Reduce the risk of dengue fever by arranging to have mosquito spraying and using abate sand including reducing the breeding ground for mosquito.
- Setting up sport club to encourage exercise among staff. This includes arranging health oriented activity such as promoting football game and match with other company's staff.

### **Operation and future development plan**

1. Maintain house design for good health and safety of resident,
2. Maintain the performance of hotel service and its standard with concentration on guest's health with increased activity,
3. Maintain the health watch for staff in the organization,
4. Promote the use of pesticide free raw material as a better choice for health and setting up a green project committee to manage the efforts such as visiting other projects, inviting lecturer on green vegetation farming and share those knowledge to the villager and community.
5. Increase and expand green area for growing pesticide free vegetable in the organization such as sweet basil, basil, and betel which is used in the main menu of crab meat in betel curry for example. All flowers used in room decoration are also pesticide free such as banana, leelawadee, for instance.
6. Expand the use of effective microorganisms in water treatment, bad odour repellent, reducing the use of chemical which are harmful to the environment and everyone's health including sharing knowledge among staff and people outside the organization.

## **Safety: safety in life**

### **Concept and policy**

The Company is cautious and has paid attention to safety to internal staff and interested parties. This reflects in its operation which incorporates safety such as works safety, policy on construction safety, safety drill and preparation to deal with any risks that Charn Issara has conducted on regular basis.

### **Operation and feedback for the year 2015**

1. Security, safety precaution, safety drill of juristic person of the housing estate, residential condominium juristic person, office condominium juristic person of Charn Issara such as:-
  - Security check point such as pass card exchange point, contractor's entrance and exit the building, patrol in the building, inspection of suspected object and risk prone area.
  - Maintenance of system, machinery, including equipment are necessity to ensure safety. The Company and its subsidiaries including all of their projects has paid attention to maintain condition of equipment in its top performing condition including necessary preventive maintenance. It has arranged to have instructive activity for one to follow when in emergency situation so that necessary steps can be taken in dealing with such situation:-
    - Annual checkup of electrical, plumbing, air conditioning and water treatment of buildings that Charn Issara manage their juristic persons.
    - Fire drill and training activity

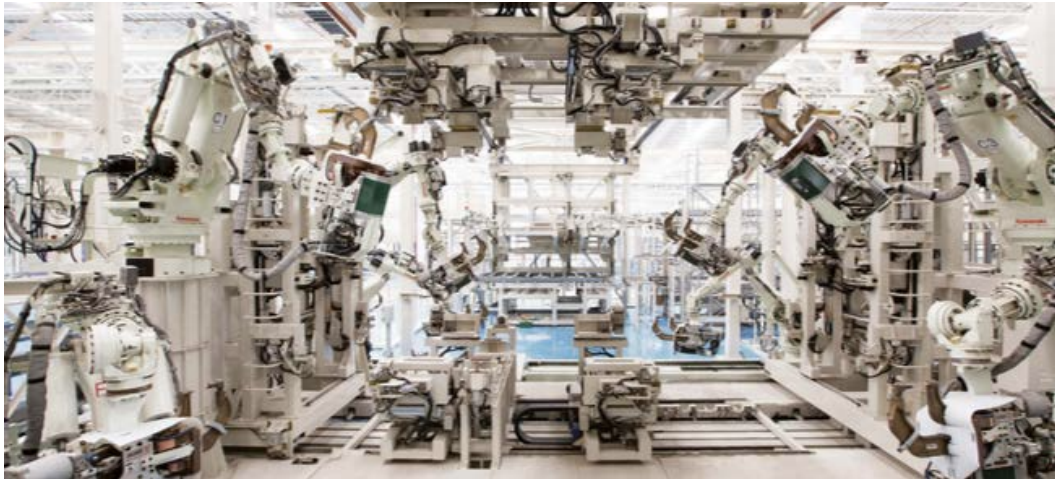




2. Security and safety precaution for construction site such as protection around the construction site parameter and training before works start on a daily basis.



3. Reduce the risk of construction accident such as the adoption of Modular system in construction at Baan Sitawan in lieu of conventional construction which resulted in following improvements:-
  - Precast parts and assembly from factory give a high precision and safety thus reducing construction risk which may affect workers,
  - Robotic welding from factory makes strong and durable structure and reduce construction risk.
4. Increase safety for resident such as Baan Sitawan
  - The strong structure is highly flexible with yield strength of up to 4,000 Kgs per Sq. Cm. which can stand earthquake,
  - Steel member is coated with ZAM where chemical reaction with air give an armor shield protecting steel inside making a long lasting strength,
  - The house is of close system preventing insects and small animals from getting into the house



5. Continuously improve safety system such as at Sripanwa there had been a replacement of digital CCTV on the old analog CCTV. This new system, so called IP network enable a clear photos on all points around the hotel which improve security.

### **Operation and future development plan**

1. Maintain the security, safety precaution, training on housing estate juristic person, residential condominium juristic person, and office condominium juristic person of Charn Issara
2. Maintain safety, safety precaution in construction project.
3. Study and search for innovation to reduce risk of construction accident.
4. Improve safety for resident in all Company's project.
5. Continue to improve security system such as Sripanwa has replace CAT6 signal cable with fiber optic for better speed and clarity of CCTV.

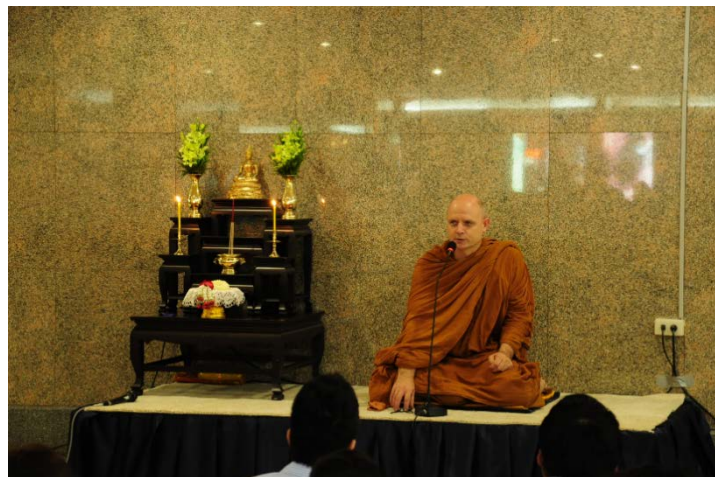
### **Well Being: good quality of life, heart and soul**

#### **Concept and policy**

The Company has an operating policy to enhance good quality of life for people in the organization, consumer and society through spiritual activity. In the current situation where stress in economic and social are high with competition which greatly affect people's mind, the organization has therefore tried to give counseling and teaching by Buddhist monk which can be adapted for everyday living and help improve quality of life.

## Operation and feedback for the year 2015

1. Promote spiritual activity
  - Dharma preaching for staff in the organization had been arranged on a monthly basis by inviting Buddhist monk to preach Dharma at 21<sup>st</sup> floor Charn Issara Tower 2 building from 12.30 hrs to 14.00 hrs. Several monks take turn to preach each month.



2. Spiritual activity for customer
  - Giving alms to Buddhist monk on the occasion of new year including Dharma preaching for customer in each project.



3. Promote spiritual activity among community and society
  - Open invitation for staff in the organization, general public in Charn Issara Tower 2 building and general public outside the building to participate in Dhama preaching, evening prayer, meditation led by Buddhist monk and qualified instructor on every Tuesday from 16.30 to 18.00 at 21<sup>st</sup> floor Charn Issara Tower 2, New Petchburi Road free of charge.
  - Charn Issara donates scholarship to support Budha Panya education to Panya Prateep school, Amphur Pakchong, Nakorn Ratchasima province. The school which is under Panya Prateep foundation has an objective to develop into a model of Budha Panya education to groom the youth into a good member of the society.
  - Sripanwa hotel has participated and become a sponsor on accommodation for a world class organizer and guest speakers who had participated in One Young World 2015 which was held during November 18-21, 2015. The activity supported youth to express their opinion and view on the society which is a reflection of current issues in the society where they belong. It also led to the improvement of quality of life and solution to society's issues.



Sponsor accommodation for guest speakers on One Young World 2015

Delivering speech in the One Young World by Mr. Kofy Adnan as per details in Link

<https://www.youtube.com/watch?v=mDDGhLOaa8I>

- Arrange space for Kusol Kamlang 3 in Charn Issara Tower 2 shop free of charge to support the garage sale from which revenue will support Panya Prateep foundation.



## Operation and future plan

1. Maintain Dhama preaching on first Monday of every month for staff,
2. Maintain alms giving and Dhama preaching on New Year for customer,
3. Maintain Dhama preaching every Tuesday evening for general public,
4. Continue to support Buddha Panya education,
5. Continue to support Kusol Kamlang 3 shop.

## **Happiness**

### **Work life balance: happy workplace**

#### **Concept and policy**

The Company wishes its employee to succeed on both work and life which lead to policy and operating plan including corporate culture which is supportive for staff to develop oneself on both working skills, physical and mental which will ultimately yield sustainable results on target.

#### **Operation and feedback for the year 2015**

1. Develop knowledge and working process to enable equilibrium between work and life of employee.
  - Develop an application for construction site inspection. This adoption of technology will increase performance and reduce working steps of staff (under development)
  - An opportunity to rotate positions in the organization for staff to learn and improve their potential on the area they fit into.
2. Arrange various activities to increase happiness in the organization and make the organization desirable to work for.
  - Arrange to have company trip to build relationship,
  - Arrange for weight loss activity, exercise after work, unity sport for staff to be aware of being in good health,
  - Arrange to have Dhama in the workplace to groom the staff's mind,
  - Arrange to have a birthday wishes for staff to realize their value to the Company,
  - Cultural oriented on a good host such as wai to show respect among each other including general greeting in the Company.
  - A policy to provide happiness on 4 necessities, food, clothing, shelter and medicine. For example at Sripanwa, staff will be taken care of on those 4 necessities. The Company provides 3 meals a day, staff accommodation, hygiene, Medicare, social security, group insurance on dental care, medical clinic including basic medicines on demand.
  - Look after staff's family on occasion and special occasions.
3. Activity to share happiness from the organization to community and society to create goodwill among staff. The organization is not only delivers happiness to its staff but also share the same to the society.

- Arrange to have blood donation among staff on an annual basis for staff to learn sacrificing for others,
- Kusol Kamlang 3 for staff to learn sharing for others,
- CSR activity such as beach cleaning, donation of supplies to nursing home, release sea animals for conservation purpose for instance to increase participation and social awareness among staff towards the community.

### **Operation and future plan**

1. Maintain training and corresponding work system to balance work and life,
2. Maintain activities to create happiness in the organization and make the organization desirable,
3. Arrange to have activities to share happiness from the organization to the community and society,
4. Support one family working system, cross training, helping each other without division,
5. Encourage work performance and value, meeting dateline and spare time for other activity in life with equilibrium.



### **Family and Community Happiness**

#### **Concept and policy**

The Company realizes that the sustainable growth in business can be achieved through basic elements and good supports from all parties like one integrated family, community, and society. We therefore strive to build a quality family with responsibility to the society, neighboring community including society as a whole in all related dimensions.

## Operation and feedback in 2015

1. Promote the employment of local workforce so that people can work and stay in their hometown for a warm family life such as projects in Cha-Am-Huahin, Phuket, Pakchong-Khaoyai, Chiangmai all employ local workforce.
2. Support community's products for income distribution and strengthen the community with better standard of living such as party for projects' customer will be catered by local restaurant, local fruit. Thai massage from local community nearby those projects have also been supported for instance.



3. Support education for staff's children through scholarship every year such as at Sripanwa Phuket where family day activity was organized every year with scholarship given out to staff's children for a strong family base and thereafter become a strong base for the society and the Nation.



4. Activities to enhance family happiness in community and society such as CSR at Sripanwa project for a better community; beach cleaning at Ao Yont beach in collaboration with local community at Cape Panwa, beach cleaning in front of the hotel at Cape Panwa, donate food and cleaning up Phuket stray dog center, exhibit at the 8<sup>th</sup> anniversary of Baan Tawan Chai Phuket, donate supplies to Phuket Nursing Home, donate paper for brail lettering at the public library, donate can's lid for artificial leg at Vajira Phuket Hospital, release sea turtle to the sea on Mother's day with people from Cape Panwa community, participate in the release of sea animals in salutation of HM the Queen, release shark on Mother's day in collaboration with Phuket Aquarium, support drinking water for cyclist on the release of sea turtle project, participate in Panwa Game for good friendship in the community. All of those examples are activities reflecting our intention to make local community and society a happy society.



Activity at Baan Tawan Chai Phuket



Release of sea animals for conservation



Donate food and clean up Phuket Stray Dog Center



Beach cleaning at Ao Yont with local community



Panwa Game

5. Policy to look after the tidiness of community around construction project by regularly cleaning up surrounding community. There was a paint job done on nearby buildings surrounding the Issi Suksawad project.



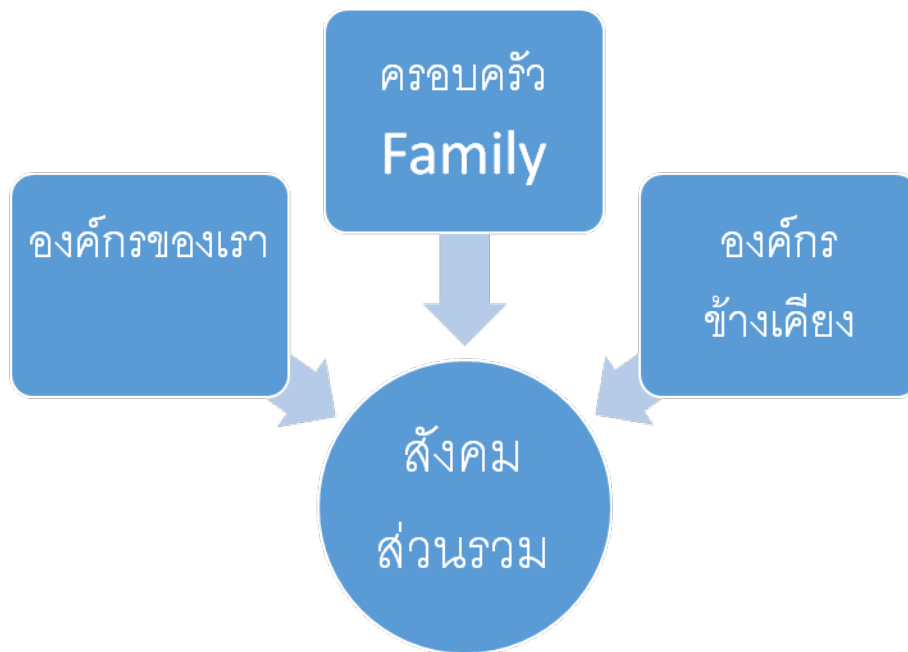
Before



After

### Operation and future plan

The Company has a plan to increase activity to strengthen the tie between staff's family and the organization and co-operation with other organizations to contribute to the society as a whole



### Plan of activities which will be carried on

1. Maintain the employment of local workforce,
2. Maintain the support of local products and community's products,
3. Maintain the support on education of staff's children,
4. Maintain the tidiness of nearby community to construction project,
5. Support the activity for family in the community and society.

### Values

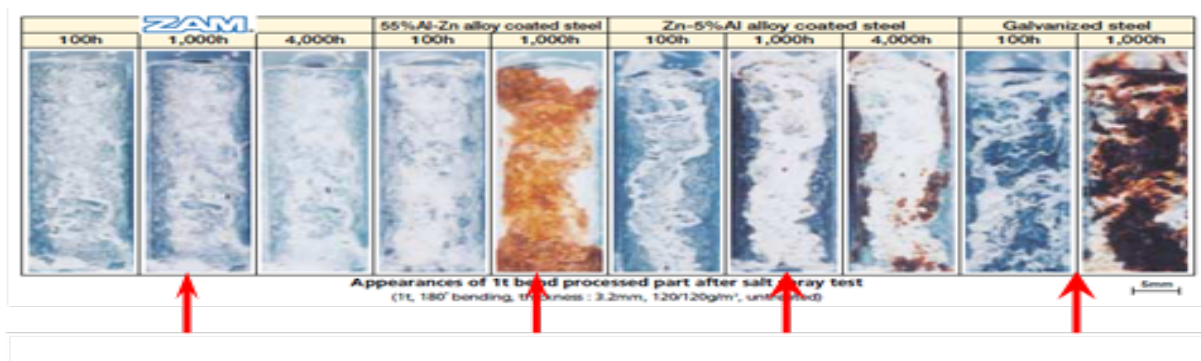
#### Customer Experience

#### Concept and policy

The Company determines to produce high quality product exceeding customer's expectation. It has co-operated with high potential alliance in design and production of value added product with continued improvement. As a leading company we have focused on innovation with modern technology and offering quality services above standard.

## Operation and feedback in the year 2015































1. Adopted modular house construction technology from Japan to design a house suitable for Thai climate yet retaining beauty and meeting consumer's requirements. This enable a learning process and house design development to even exceed design limitation of modular system requirement resulting in a suitable home design, a worthwhile experience for the Company, alliance, including customer who get a quality home with high specifications.
2. The selection of high quality materials resulting in a low maintenance costs such as at Baan Sitawan, Pakchong-Khaoyai. The house structure is made of steel coated with ZAM which is a composite of Zinc, Aluminum and Magnesium with rust prevention property exceeding other type of steel coating. ZAM prevent oxidation which results in white rust and thereby extend the life of steel structure. The house is painted with Fujikura paint, a copyright from Japan which is acrylic base mix with epoxy with a property similar to glue resulting in a good bonding with painted surface. As the porous property of Fujikura paint is less than conventional paint, the wall of SCG-Heim house carry a self-cleaning property. The paint surface is therefore clean, easy to hose down dust particle and it is mole free.



Picture shows steel structure coated with ZAM prevent oxidation when compare to other coating

3. The design of house, condominium units, and hotel incorporates functions for everyday usage with adequate space suitable for each market segment. The common area for recreation, reception and for the sake of good health of residents is designed to be full function above general project standard. All those have made our customers experience good value for their money at the Company's projects such as at Baan Thiew Talay, ISSI Condo Suksawad, Sripanwa hotel for examples.

- Continue to develop and improve the service at Sripanwa to deliver a new experience to customer which resulted in many complimentary from customer such as “Family Suite and best services”, “Hotel of Choice”, “Romantic Pool Villa” for instances. The hotel has been highly voted to be on the top list when compare to competitors and received many awards.

พหุ	คนที่ถูกใจพหุนี้	จากสัปดาห์ที่แล้ว	โพลสดสัปดาห์นี้	การมีส่วนร่วมในสัปดาห์
1  Sri panwa	467.8K 	▲0.1%	8	2.6K 
2  Mandarin Oriental, B...	91.9K 	▲0.2%	3	1.3K 
3  Anantara Hotels Res...	85.6K 	▲0.2%	8	923 
4  Point Yamu by COMO	49.5K 	▲0.1%	5	237 
5  Kalima Resort and S...	41.3K 	▲0.2%	7	588 
6  Six Senses Yao Noi (...)	26.4K 	▲0.1%	4	519 
7  Four Seasons Resort...	25.4K 	▲0.2%	6	564 
8  The Naka Phuket	23.5K 	▲2.9%	4	286 
9  Oriental Residence B...	17.2K 	▲0.4%	6	149 
10  Banyan Tree Phuket	13.8K 	▲0.8%	2	211 

## Operation and future plan

The organization shall continue to be developed to create new experience for all interested parties with following target on future activities as follows:-

- Retain the use of high quality material with low maintenance costs,
- Retain the design of house, condominium units, and hotel which incorporate functions for every day usage with adequate space including common areas for recreation, entertainment and health of resident above general standard,
- Study and develop to adopt new technology in house construction which is suitable for Thai climate and benefit residents,
- Develop services for the target of creating good experience of service for customer. Strive for service excellence which had won many services award such as Kinnaree award to ensure customer's confidence in using the hotel service.

## **Fair business practice**

### **Concept and policy**

The Company is determined to operate on the ground of corporate good governance. We are fair and treat all interested parties equally for we believe that a fair business practice will result in sustainable development of value to the society.

### **Operation and feedback in 2015**

1. Pay attention and treat business counterpart fairly on payment. There was no law suit from business counterpart with regard to payment.
2. Land acquisition: create an opportunity for land owner to propose direct to the Company without agent and everyone can propose equally. The said opportunity on land acquisition which is main cost of our business shows our integrity and transparency of our organization.
3. The Company open up an equal opportunity for all contractors with the right profile and qualification enter the bidding for construction project and make the selection fairly.
4. The Company opens up an equal opportunity for all suppliers and make selection by comparing goods with the project's design requirements, price and terms reasonably.
5. Recruitment through committee for transparency and fairness to employ the right candidate.
6. Study and prepare salary structure for staff to get the right salary structure which reflects a fair treatment from the Company to its staff.
7. Adopt equal employment opportunity in compliance with the law in employing disable reflecting equal employment practice of the Company.

### **Operation and future plan**

1. Retain equal opportunity of bidding and fair selection process,
2. Retain an equal opportunity for supplier with the right qualification,
3. Retain the transparency and fair recruitment,
4. Retain the employment of disable in compliance with the law,
5. Complete the salary structure within 2017,
6. Increase channel of recruitment to create a wider opportunity.

## **Anti-corruption: to be an anti-corruption organization**

### **Concept and policy**

The Company recognize and aware the important of ethical business conduct, corporate good governance and anti-corruption both within the organization and outside the organization. The Company has a policy relates to its operation and interested parties so that everyone understand and responsible for the anti-corruption efforts to enable efficient operation corresponding to its vision, strategy and corporate working philosophy.

### **Operation and feedback for the year 2015**

1. Join the Collection Action Coalition of Thai private sector for anti-corruption,
2. Become a member of PACT Network,
3. Arrange to have anti-corruption policy as a guidance for business operation and the development of sustainable organization,
4. Arrange to have ethical codes of conduct and business ethic with an objective to be used as a guideline for good conduct among Directors, management and staff of the Company and its subsidiaries to adhere to.

### **Operation and future plan**

1. Develop, campaign and build awareness for staff to perceive with understanding in becoming an anti-corruption organization.
2. Support activities and all efforts including joining any related alliance to prevent and anti-corruption.

## **Human resorce development: The development and retaining of good human resource**

### **Concept and policy**

The Company has an objective to manage human resource on development, support and retaining efficient staff who has good behavior to enable the Company to achieve its objective effectively and efficiently. The Company will support human resource development so that staff is knowledgeable, capable of working in their responsibility effectively and continuously. It also created an opportunity for a progress in staff's career path.

### **Operation and feedback in the year 2015**

1. Arrange to have a protocol in applying for training outside the company, giving opportunity for staff to request for training by institution, organization or course outside the Company.
2. Promote training both within the Company and outside the Company, be specific course or general course to improve working performance. It also regularly arranges to have specialist and experts in the organization, outside the organization and from oversea to conduct training for staff.
3. Training and staff development plan.

### **Operation and future plan**

1. Retain the training plan and promote training both inside and outside the Company, including specific and general course,
2. Develop the organization into learning organization,
3. Arrange to have a plan for staff's career development,
4. Arrange to have talent management.

### **Environment**

#### **Natural resource efficiency**

#### **Concept and policy**

The Company is determined to integrate activity and project with awareness on the responsibility towards environment and safety of consumer. It has retained the health and safety of staff in every stage of operation. Product and services on offered come with related information on environmental impact and consumer's safety. The work process has been improved continuously to prevent pollution and environmental impact including natural resources conservation and reduction of energy consumption.

## Operation and feedback in the year 2015

In following the above policy there have been corresponding operations as follows:-

1. Master plan in all project will retain as many large trees as possible on site with attention on its environment both on site and outside,



Sripanwa project won environmental friendly award in 2015-2017



2. There have been campaigns to create awareness among staff, customer and general public related to each project of Charn Issara to save water. There are campaign posters posted in passenger elevators, PR board on various points in the project. Sripanwa hotel for instance, has achieved 10% water saving in 2015,
3. Encourage the use of 2 sides paper by placing recycle paper tray next to the photo copying machine or printer for convenient,

4. Arrange to have shuttle van between Charn Issara Tower2 and BTS Station to reduce the consumption of gasoline which in the way reducing pollution.
5. Garbage management, garbage separation and recycling.



6. Energy saving project which involve reducing lighting in certain area and during appropriate time, replacement of conventional light bulb with LED, installation of automatic on-off switch for air condition when the door or window is open for a certain period of time.
7. Water management, supply and waste water management with EM at Sripanwa



8. Reduce construction site disposal and noise pollution such as the adoption of Modular system which can reduce construction debris by up to 85%

## **Operation and future plan**

The Company will continue to develop quality project with care on its environment both inside and outside the project site so that all interest parties will get minimum affect from environmental impact.

1. Retain the important of master planning of every project to retain as many trees as possible,
2. Retain activities on environmental conservation,
3. Garbage separation campaign in every project of Charn Issara,
4. Energy saving campaign to reduce the use of energy,
5. Reduce the use of wood and paper in the Company's marketing and PR campaign,
6. Water conservation campaign, to reduce the use of water and recognize the value of water.