



**BJC**  
138 ปี

Sustainability  
Report  
2020

# GROWING SUSTAINABLY TOGETHER WITH YOU





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## ESG COLORS

- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE



# MESSAGE FROM CEO

Berli Jucker Public Company Limited (“BJC”) have always been committed to elevating the quality of life for all customers throughout our 138 years of operations in Thailand, by providing customers with high quality, safe and nutritious products and services, to meet the daily needs of all customers. As one of the original 7 companies to be listed in the Stocks Exchange of Thailand (SET), BJC is deeply rooted in the country’s development and prosperity. For this reasons, BJC strives to continuously operate to benefit the country’s Environment, Social and Economic (ESG), achieved through our commitment to **“Growing Sustainably Together”** with all our valued stakeholders against all new and emerging risks and opportunities.

In 2020, the emergence of the unprecedented global outbreak of the coronavirus (COVID-19) have motivated BJC to reinforce our corporate wide sustainability strategy, to form **“BJC” B: Better Living, J: Joint Success, and C: Caring for Community**, encompasses BJC’s commitment to improve the environment, achieve sustainable joint success with all stakeholders, while taking care for surrounding communities, covering the three dimensions of Environmental, Social and Governance (ESG), which is in accordance with the United Nations Global Sustainable Development Guidelines (SDGs).

Following the reassessment of our materiality topic prioritization in 2020, BJC confirms that BJC and our stakeholders expectations towards sustainability are align, prioritizing product quality and safety, human capital development, occupational health and safety, energy management, risk and crisis management, supply chain and customer and consumer relationship management. As such, BJC have continuously developed and implement various initiatives to address these key concerns accordingly, to improve the quality of life for all customers, through the integration of ESG considerations, conducting business in a responsible manner, free from bias and corruptions, in compliance with the WINNING attitude, minimizing risks, while meeting customer’s expectations. Reinforcing fair labor management and equal opportunities for all employees, safeguarding and promoting fair labor management and the health and safety of employees and surrounding communities, whilst minimizing negative environmental impacts.

As a result of all our hard work in integrating sustainability into our operations, Berli Jucker Public Company (BJC) has received a number of recognitions from both domestic and international sustainability entities alike, including being listed in the Thailand Sustainability Investment (THSI) 2020 by the Stock Exchange of Thailand for the first time, Listed in the ESG100 List for the 3<sup>rd</sup> consecutive year, and listed in the Dow Jones Sustainability Index Yearbook for the first time in addition to being recognized as an industry mover within the Food and Staple retailing industry.

As we move into a new decade, we are looking forward to further enhance and strengthen the sustainability culture within BJC, reinforcing our commitment and dedication to conduct our business based on the principles of good corporate governance, while being accountable to society and its environmental prosperity. On behalf of all the executives, I would like to thank all our employees, customers, business partners, and all stakeholders who have continuously supported BJC on our sustainable development journey, we promise to continue to strengthen our green big tree and continue to grow sustainably together.



**MR. ASWIN TECHAJAROENVIKUL**  
CHIEF EXECUTIVE OFFICER AND PRESIDENT



Your trusted partner  
for a sustainable better living

The current success of BJC  
is based on our sound and solid  
foundation-we are like a tree with roots  
that reach deep into the earth and branches  
that reach out to the Thai society.  
We believe in and adhere  
to our core values:

- To serve personalized customers' needs based on customer-centric and data-driven culture
- To always deliver quality goods and services and to offer innovative solutions beyond expectation
- To build prosperity and continued sustainability to all stakeholders

## CORPORATE VALUES



### CUSTOMER AT HEART

- Treat customers First, always
- Go the extra mile to exceed their expectation
- Provide best value & quality with efficiently outstanding service and speed



### DRIVE CHANGE

- Challenge the status quo with better solution and action
- Focus on Life-long learning with WINNING Spirit
- Move fast for maximizing business opportunities



### STRIVE FOR EXCELLENCE

- Passionate and focus to do ordinary things for superior results with speed
- Commit superior results with professionalism and intergrity
- No compromise on quality and services to deliver best values for customers



### HAPPY WORKPLACE

- Treat our people with fairness, trust and respect
- Create climate for action through pleasant worplace and environment to unleash people potential
- Empower and develop talented people to grow with the organization
- Promote groupwide team spirit and collaboration to achieve shared goals

## CORPORATE CULTURE

W

### WINNING ATTITUDE

Be passionate about goal accomplishment and commit to achieve at the highest with preparation for the best, worst and everything in between

I

### INSIGHTS FOR CUSTOMER

Deep empathy to uncover the rich insights of customers and deliver tailored products & services

N

### NURTURE RELATIONSHIPS

Work with others both internal and external as business partners towards a win-win cooperation

N

### NEW OPPORTUNITY

Demonstrate business intelligence by grasping the opportunity in the VUCA environment and translating into action and/or strategic execution

I

### INCLUSION AND DIVERSITY

Respect and treat people fairly based on their uniqueness while feeling a sense of group membership to maximize results and performance achievement

N

### NON BUREAURACY

Rationalize and eliminate anything that block the ways of being fast and flexible to survive in a competitive environment

G

### GOVERNANCE

Do the best possible process for making and implementing ethical decision in a timely, appropriate and responsive manner

# ABOUT BJC



For the past 138 years, Berli Jucker Public Company Limited (“BJC”) have been committed to elevate the quality of society by providing top quality products and services, to meet the need of customers in their daily lives, as evident by the vision **“to be a provider of integrated supply chain solution in the region, providing top quality products and services that are involved in the everyday life of people”**.

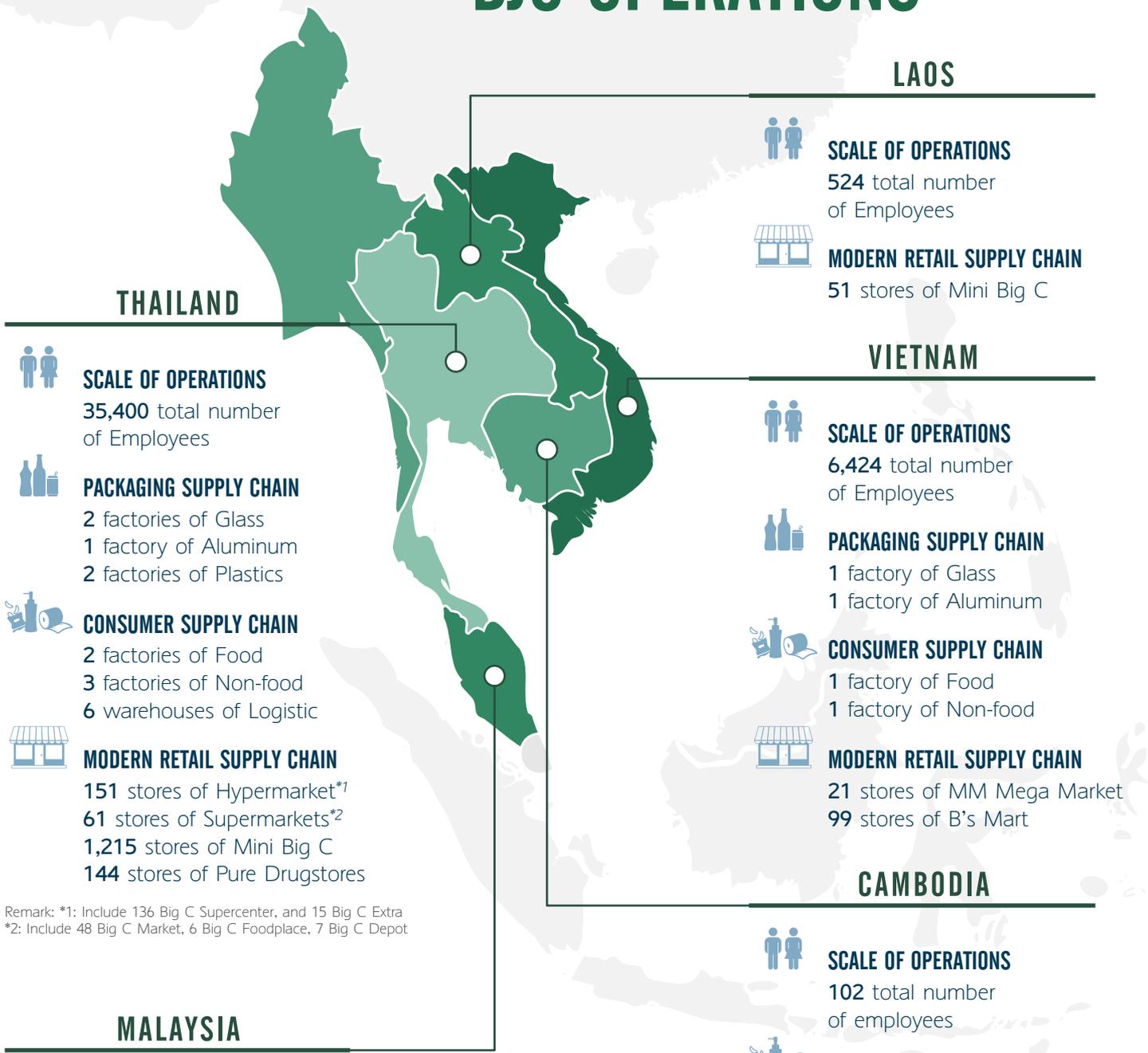
Founded in 1882 by Albert Jucker and Henry Sigg, BJC began operations in Thailand selling miscellaneous goods, importing household products into Thailand, and exporting teakwood overseas. Over the years BJC gradually expanded its supply chain, into consumer goods manufacturing, distribution, and retailing, capable of meeting all of our customers’ daily needs. As one of the original seven companies to be listed on the Stock Exchange of Thailand BJC operations is well and truly rooted within Thailand.



Today, under the leadership of Thai Charoen Corporation Group (TCC), BJC is at the forefront of the trading, manufacturing and service fields in Thailand, manufacturing, packaging and distributing goods and services nationwide through the five core supply chains, namely Packaging, Consumer, Modern Retail, Healthcare, and Technical, spanning across 43 subsidiaries, in 5 countries.

These core operations presents BJC with various new challenges and opportunities to address, to positively contribute to the corporate wide vision. In 2020, BJC have adopted a sustainability business approach, elevating operational capabilities to integrate sustainability considerations into operations, while aligning with good standards in response to consumer shifting needs.

# BJC OPERATIONS



## THAILAND



### SCALE OF OPERATIONS

35,400 total number of Employees



### PACKAGING SUPPLY CHAIN

2 factories of Glass  
1 factory of Aluminum  
2 factories of Plastics



### CONSUMER SUPPLY CHAIN

2 factories of Food  
3 factories of Non-food  
6 warehouses of Logistic



### MODERN RETAIL SUPPLY CHAIN

151 stores of Hypermarket\*<sup>1</sup>  
61 stores of Supermarkets\*<sup>2</sup>  
1,215 stores of Mini Big C  
144 stores of Pure Drugstores

Remark: \*1: Include 136 Big C Supercenter, and 15 Big C Extra  
\*2: Include 48 Big C Market, 6 Big C Foodplace, 7 Big C Depot

## LAOS



### SCALE OF OPERATIONS

524 total number of Employees



### MODERN RETAIL SUPPLY CHAIN

51 stores of Mini Big C

## VIETNAM



### SCALE OF OPERATIONS

6,424 total number of Employees



### PACKAGING SUPPLY CHAIN

1 factory of Glass  
1 factory of Aluminum



### CONSUMER SUPPLY CHAIN

1 factory of Food  
1 factory of Non-food



### MODERN RETAIL SUPPLY CHAIN

21 stores of MM Mega Market  
99 stores of B's Mart

## CAMBODIA



### SCALE OF OPERATIONS

102 total number of employees



### CONSUMER SUPPLY CHAIN

1 store of Hypermarket

## MALAYSIA



### SCALE OF OPERATIONS

122 total number of employees



### PACKAGING SUPPLY CHAIN

1 factory of glass



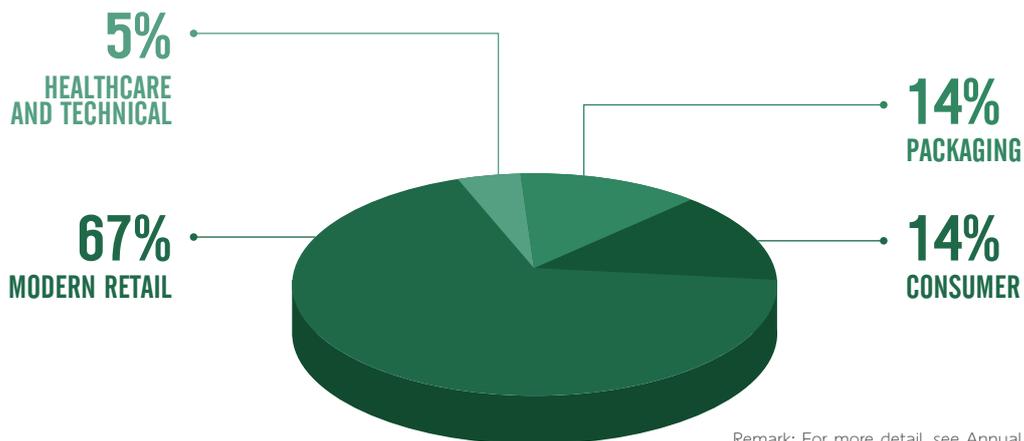
### CONSUMER SUPPLY CHAIN

1 factory of food

Scope : Only 3 Key Supply Chain

Berli Jucker Public Company Limited Headquarter is located at Berli Jucker House, 99 Soi Rubia, Sukhumvit 42 Road, Phrakanong, Klongtoey, Bangkok 10110, Thailand

## GRAPH TO SHOW PERCENT CONTRIBUTED FROM EACH SUPPLY CHAIN

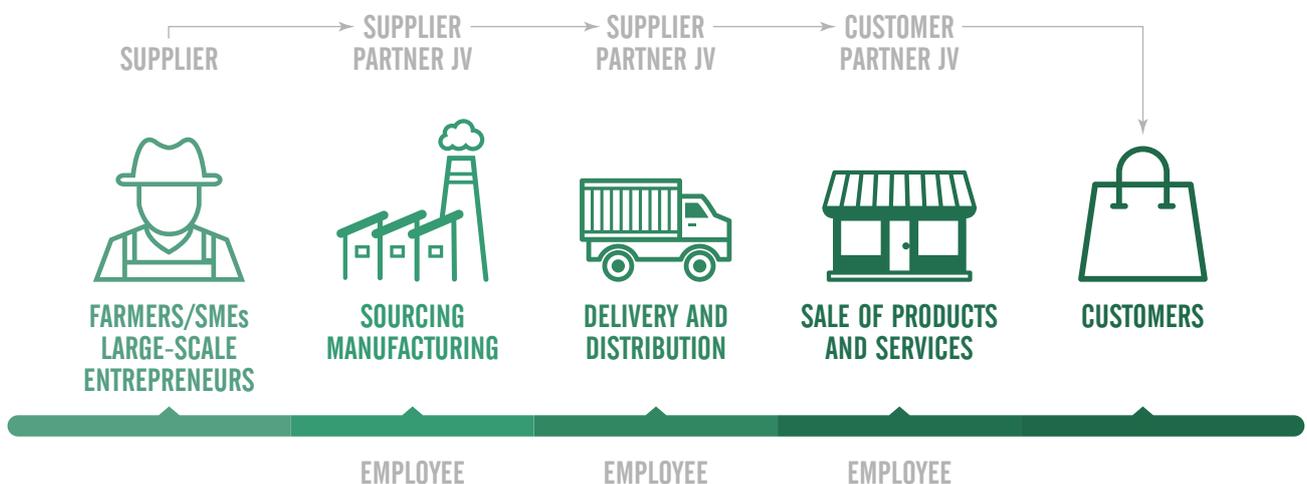


Remark: For more detail, see Annual 56 - 1 2020 Report, P. 8

## BJC VALUE CHAINS

BJC's operations consists of five primary supply chain, each serving a different sector, all operating in accordance to BJC's objective to grow sustainably together.

### GOVERNMENT/SOCIAL/INSTITUTIONAL/ETC. SHARE HOLDER/INVESTOR



# BJC KEY SUPPLY CHAIN:

## PACKAGING:

BJC packaging supply chain business units focus on design and manufacturing as well as marketing, sales and distribution of packaging products, and offer engineering solutions. Striving to meet customer demands, improving operation efficiency, product quality, driving cost lower, services well as developing employee's skill through several quality standard system and seeking new business and investment opportunities for future growth.

### GLASS PACKAGING



Thai Glass Industries  
Public Limited Company



Thai Malaya Glass  
Company Limited



BJC Glass (Thailand)  
Company Limited

Manufactures glass containers for customers from various industries such as Alcoholic & Non-alcoholic beverages, food and pharmaceuticals. Customers include Thai Beverage Co., Ltd., Brand Suntory (Thailand) Co., Greenspot Co., Ltd., Hale's Trading (Thailand) Co, Ltd., and T.C. Pharmaceutical Industries Co., Ltd. BJC also exports packaging overseas to CLMV, Malaysia, Indonesia, Philippines, China, India, Sri Lanka, Australia and other European countries.

### ALUMINUM CAN PACKAGING



Thai Beverage Can  
Company Limited

Thai Beverage Can Ltd. (TBC) manufactures both aluminum cans, lids, and offer customers customized printing on products. TBC utilizes technology from Ball Corporation (Ball), a leading manufacturer of aluminum can packaging from USA. TBC and Ball have also jointly set up an aluminum can manufacturing factory in Vietnam under the name

TBC-Ball Beverage Can Vietnam Limited ("TBC-Ball VN") in order to produce and distribute aluminum cans and lids.

Currently the company has a total of four production lines to manufacture cans of different sizes. The Company also has four lid production lines for Stay-on-Tab, and large opening end lids, and one line for cutting and aluminum coating for lids. With the total manufacturing capacity of 4,800 million cans per year and the production capacity of 3,450 million lids per year in Thailand, making TBC one of the largest aluminum can manufacturers in Southeast Asia.



## CONSUMERS:

Conduct business operation from the upstream business, such as agriculture, manufacture, to downstream business, such as marketing, distribution for retailing business in addition to logistical services.

### FOOD



Berli Jucker Foods  
Limited

The Food Products Group engages in the production, marketing and distribution of products both domestically and internationally and is composed of Berli Jucker Foods Limited (BJF) and BJC Foods (Malaysia) Sdn Bhd (BJFM). In addition, it also produces products and offer food-and-beverage distribution services for third-party brands. Its products are sold through modern-and traditional-trade channels.

The Food Products Group is divided into four product lines as follows:

1. Snack Products: Tasto potato chips, Tasto Signature; potato chips coated with chocolate, Party; extruded mixed sweet potato coated with caramel butter, Campus; crispy snack coated with chocolate, and Dozo rice cracker
2. Beverage Products: Cocoa Dutch, Kato juice, Kool Koko juice
3. Packaged Fruit Products: Dole canned fruits such as canned oranges, oranges in cups and plastic bottles, peaches in cups and plastic bottles, and canned pineapples, etc.
4. Dairy and Yogurt Products: the OEM service for pasteurized dairy products, cereal beverages, ready-to-drink fermented milk products, yogurt products

### NON-FOOD



Berli Jucker Cellox  
Company Limited



Rubia Industries  
Limited



Berli Jucker Logistics  
Company Limited



BJC Move  
Company Limited

Manufactures and distribute personal care, household products, stationary and office equipment's products and others logistical services as follow.

1. Personal Care Products: Parrot Botanicals soap and shower cream, Parrot Herbal soap, and dmp baby bath
2. Household Products: Cellox, Zilk, Belle, Maxmo, BJC Hygienist tissue paper and cleaning products produced by Berli Jucker Cellox Company Limited
3. Stationery and Office Equipment Products: the Company distributes stationery and office equipment both produced domestically and internationally, including 3M stationery and office equipment under Scotch and Post-it brands, as well as UHU glue products from Germany, BIC stationery and painting products from France, Fullmark correction tape and masking tape products from Japan, and Double-A notebook and paper products
4. Others: distribution of products from both domestic and international trading partners outside of the Company: Sawadays air freshener, Hot Hands hand warmers, Victory toothbrush, Chupa Chups personal care, BIC razors and lighters, D1/Paul Frank air freshener, Blue Goose mosquito coils, loderm cooling powder, and Kolbadent toothpaste



## MODERN RETAIL:



Big C Supercenter  
Public Company Limited

Big C is an omni-channel retailer with a comprehensive sales channel and numerous branches throughout the country, covering both brick-and-mortar stores as well as online stores. Its stores cater to a wide range of customers throughout Thailand from low-to-high-income customer segments, and its B2B sales target professional customer. We also have 1 hypermarket store in Poipet, Cambodia.

The town centers offers rental space to various tenants that complement our own store offering and can range from cinemas to kiosks and from home improvement stores to food vendors.

## HEALTHCARE AND TECHNICAL:

BJC has distributed medical products for more than 50 years including pharmaceutical products, healthcare products, medical imaging, medical equipment and medical supplies. BJC provides full services including marketing, sales and distribution with countrywide coverage in government and private hospital clinic as well as drugstore.

### HEALTHCARE



BJC Healthcare  
Company Limited

The Pharmaceuticals Division sells both foreign and domestic drugs, medical supplies, cosmeceuticals, supplements and health products. The drugs and medical supplies sold, cover original medicines and generic medicines imported from certified manufacturers in a variety of countries such as the United Kingdom, France, Belgium, Germany, Poland, Greece, Argentina, Japan, and Korea, etc. Some products are manufactured by manufacturers in Thailand that have been certified for Good Manufacturing Practice (GMP) by using quality raw materials imported from abroad. BJC also distributes biological products that play a crucial role in the treatment of various diseases and are the future drug groups in the pharmaceutical business. The Company sells a comprehensive range of therapeutic products in a wide variety of areas including nephrology, hematology, cardiac, endocrine system, oncology and tumors, genitourinary system, skeleton, Infection, also pediatric medicines and beauty products. The products are distributed through main channels such as public hospitals, private hospitals, private clinics, traditional pharmacies and drugstore businesses. The target customers are doctors, pharmacists, patients, pharmacies, as well as general consumers.

### TECHNICAL SUPPLY CHAIN



BJC Specialties  
Company Limited

#### SPECIALTIES DIVISION

Provides a wide range of food, beverage, cosmetic and chemical industrial ingredients to various industries. It divides its products to following categories: 1. Bakery ingredients, 2. Food and nutrition ingredients, 3. Industrial Chemicals and Refrigerants, 4. Cosmetics ingredients, and 5. Specialties division in Vietnam.



## GALVANIZED STEEL STRUCTURES



Thai-Scandic Steel Company Limited

Thai-Scandic Steel designs, manufactures, and galvanizes steel structures to be used in high-voltage transmission line towers, telecommunication towers, and general industries, both domestically and overseas. TSS is one of the companies that has received approval from the Electricity Generating Authority of Thailand to manufacture the 500 kilowatt high-voltage transmission line towers, the Company is also recognized by leading companies worldwide, such as ABB and SIEMENS.

## GRAPHIC SYSTEMS



BJC Graphic Systems  
Company Limited

Graphic Systems Division focuses on offering products and software related to digital printing to the printing industry that work with packaging and packaging designs. The division has experts that can provide consultations on digital printing technologies and packaging designs using the software. The Company also provides Enterprise Resource Planning (ERP) system services, which will specifically help to monitor the whole packaging printing industry system in order to maximize the performance and reduce the management cost for entrepreneurs. In addition, the Company also has the engineering team ready to offer after-sale services so that the customers will put trust in investing and partnering together to create a long-term benefit for the Company.

## ENGINEERING



BJC Engineering  
Company Limited

Our Engineering Department focuses on providing solutions related to the engineering industry, ranging from energy industries, product handling systems, tools and equipment for retail businesses, up to storage systems and equipment for the warehouse. Our engineering department also provides consultations and after-sale services for products, equipment, and engineering systems.

## BERLI ASIATIC SODA

# BAS

Berli Asiatic Soda  
Company Limited

Berli Asiatic Soda is the distributor for industrial chemical products and its main product is soda ash. Soda ash is a raw material that can be applied in various industries, such as, glass bottle manufacturing, ceramics industries, glass industries, mining industries, and powdered detergent industries. BAS imports products from overseas manufacturers to sell and distribute to customers in Thailand.

## OTHERS



Asia Books  
Company Limited



C Smart Solutions  
Company Limited

Include all companies under the control of BJC Group, through all merger and acquisitions in the region. This includes acquired companies such as Asia Book and international business operations.



## CHANGES TO THE ORGANIZATION IN 2020

Amidst the challenge faced in 2020, BJC was able to continue to expand retailing stores throughout Thailand as follow.

Modern Retail: 1 new hypermarket, 2 Big C Foodplace, 220 Mini Big C, and 3 Pure drugstore.

Furthermore, to better serve customers amidst the COVID-19 lock-down in respect with Governmental regulations in 2020, BJC developed new store formats and services through online sales channels. This expansion also to response to technological advancements, significantly changing consumer behaviours.

This expansion allow the company to expand our reach into new communities, to better serve our valued consumers during this challenging times. This also enabled the company to contribute to our core value to be “Hang Khon Thai, Hua-jai Kue Luk Kah” (The Thai Retailer with Customers at its Heart)

## SHAREHOLDER STRUCTURE

List of 11 major shareholder as 4<sup>th</sup> November 2020

NAME	NUMBER OF SHARES	RATIO OF SHARES (%)
TCC Corporation Company Limited	2,645,730,550	66.01%
UBS AG SINGAPORE BRANCH	222,100,000	5.54%
DBS BANK LTD	157,094,900	3.92%
Thai NVDR Company Limited	101,517,323	2.53%
T.C.C. Empire Tower Co., Ltd.	91,496,400	2.28%
Social Security Office	87,419,000	2.18%
RAFFLES NOMINEES (PTE) LIMITED	60,420,950	1.50%
Bualuang Long-Term Equity Fund	68,994,000	1.72%
SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	32,092,447	0.80%
Bualuang Long-Term Equity Fund 75/25	31,465,100	0.78%
Bualuang Flexible Retirement Mutual Fund	20,769,150	0.51%

Remark: BJC Shareholder as of 04/11/2020

## MEMBERSHIP OF ASSOCIATIONS 2020



The Thai Chamber  
of Commerce



Board of Trade  
of Thailand

# KEY PERFORMANCE 2020

## ECONOMIC

2020 Revenue from Sale of Goods and Rendering of Services	144,732 Million Baht
Net profit	4,001 Million Baht
Operating Profit	10,768 Million Baht
Financial Costs	5,273 Million Baht
Employee Benefit Expenses	13,254 Million Baht
Income Tax Expenses	787 Million Baht
Annual Dividend Paid to Stakeholders	3,126 Million Baht
Earnings per Share	1.00 Baht
Return on Shareholders' Equity	3.48%
Return on Assets	3.26%

## SOCIAL

CSR Projects Implemented in 2020	47 Project Total 83,577,699 baht
Communities aided in 2020	614 Communities
Employee volunteer hours to support communities	11,721 hours
Employees donate blood in 2020	3,600 Employees

## ENVIRONMENTAL

GREENHOUSE GAS EMISSIONS (GHG)			2019	2020	TARGET
Short term Target - 2020	Tons CO2 equivalent /Operation	Scope 1	348.41	235.66	302.98
		Scope 2	619.40	411.56	513.58
Long term Target - 2025	% Reduction GHGs per unit of income compare from the base year (2016)	Scope 1	4.52%	13.44%	10%
		Scope 2	16.56%	25.69%	20%

ENERGY		UNIT	2019	2020	TARGET
Short term Target - 2020	Total Energy consumption	MWh/Operation	2,633	2,279	2,289
Long term Target - 2025	Total Renewable energy consumption	MWh	24,325.40	41,723.33	50,000

SOLAR ROOFTOP	2019	2020
Number of branches with solar rooftop installed	32	37

REDUCE WASTE (KG)	
Food rescue (food waste)	>10,000
Yak Lak Tissue Project (Paper)	>40,000
Green roof project (Packaging)	>295,000

Remark: Green Roof Performance include total project performance, consisting of BJC and other program participants.

## AWARDS AND RECOGNITION

### Sustainability Award Industry Mover 2021

**S&P Global**

BJC have been recognized as a Yearbook member in the Dow Jones Sustainability Indices (DJSI), in addition to an Industry Mover in the Food and Staple Retailing Industry for the first year.



BJC have been selected as a member of the Thailand Sustainability Investment (THSI) Index by the Stocks Exchange of Thailand (SET) for the first year.



BJC have been selected as one of the top 100 registered companies that have outstanding sustainability performance by Thaipat Institute for the 3<sup>rd</sup> consecutive years.



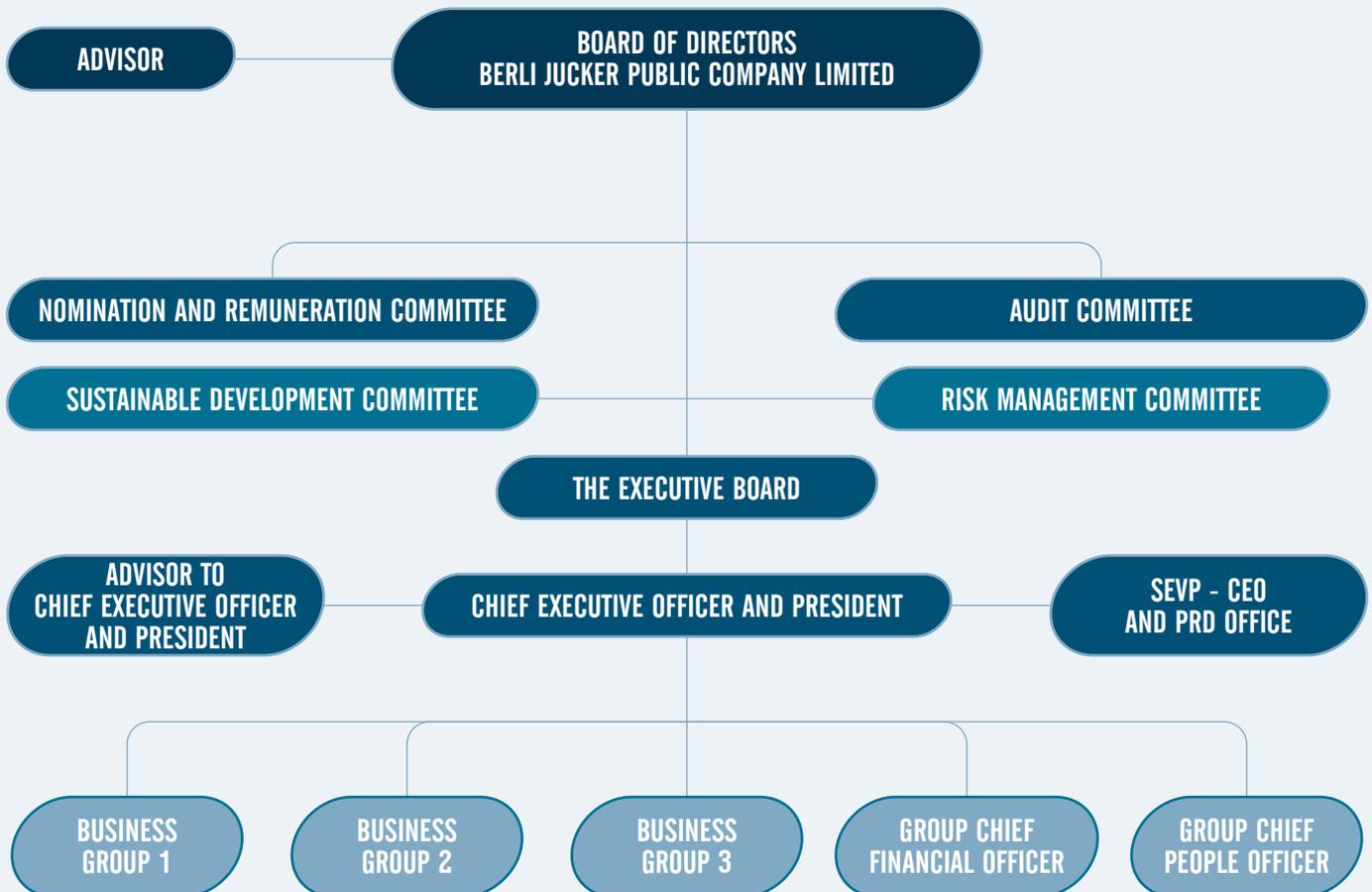
# CORPORATE GOVERNANCE AND TRANSPARENCY

**Target:** BJC aim to achieve an Excellent CG Level from external rating agencies

**Achievement:** In 2020, BJC Corporate Governance was awarded with a "Very Good" rating level in the Corporate Governance Report of Thai Listed Companies by the Thai Institute of Director (IOD)

As business environment continue to expand, becoming more competitive in nature, many companies are racing to find various new and unique strategies and business approach to stay ahead of competition. However, this campaign for short-term competitive advantage gain may result in neglect of some basic business best practices, such as good business ethics and legal compliance with applicable laws and regulations, leading to ineffective management of risk and opportunities, control of fraud, corruption, and unethical behaviors, putting companies at risk of substantial financial and reputational risks.

## ORGANIZATION CHART



Berli Jucker Public Company (“BJC”) firmly believes that Good Corporate Governance and transparency is the foundation to a strong and successful long-term business operation, governing BJC’s Board of Directors (BOD) to oversee the creation and implementation of necessary policies, procedures and practices, which are essential to managing and making strategic decisions to drive the business forward. Corporate Governance ensures that BJC conduct business on the principles of transparency, accountability and security, operating on the basis of good moral standards, make ethical decisions, aligning the interests of all stakeholders, the market and BJC towards a sustainable growth.

Through the practice of good Corporate Governance, BJC is able to effectively manage and minimize the potential occurrence of corruption, frauds and other business violations in all operations, in all supply chains, through fostering good Governance culture and effective monitoring and reporting channels. Failure to uphold good Corporate Governance can lead to various negative long-term implications such as significant financial losses for shareholders, financial loss from violations penalties, and negative company reputation, resulting in loss of stakeholder confidence, hindering corporate growth and sustainable development.

## BERLI JUCKER PUBLIC COMPANY LIMITED: MANAGEMENT STRUCTURE

As of 31<sup>st</sup> December 2020, The Board of Directors consists of 16 members, comprising of three executive directors, eight independent directors, and five non-executive directors.



The Board of Directors (BOD), chaired by Mr. Charoen Sirivadhanabhakdi, is responsible for the management of BJC business operations, ensuring that BJC’s long-term vision, mission, values, and strategic directions are achieved, generating consistent and profitable growth, while ensuring that all operations are conducted in alignment with all appropriate policies, applicable laws and Articles of Associations, meeting the expectations of all internal and external stakeholders, while continuously integrating sustainability into operations.

## BJC BOARD OF DIRECTOR'S RESPONSIBILITIES (FIDUCIARY DUTY)



Recognizing the importance of good corporate governance and its connection to sustainability, the Board of Directors have always strive to operate on excellent level, based the foundation of good corporate governance by integrating the principles of; fairness, accountability, responsibility, transparency, and sustainability throughout day-to-day operations. The commitment to good corporate governance is evident through the corporate value, principles and standards, fostered through various established corporate wide policies and guidelines, such as, Codes of Business Conduct, Anti-Corruption Policy, and Supplier Code of Conduct. These policies are continuously enforced to all employees from day one, integrated into the training they received during orientation. These policies are continuously updated and improve to fit with changing market environment. Details of our policies are available on the Corporate website at [http://investor.bjc.co.th/sustainability\\_policy.html](http://investor.bjc.co.th/sustainability_policy.html) To ensure that all suppliers and business partners understand BJC's values, principles and standards, BJC offer values in both Thai and English.

## 2020 EMPLOYEE CODE OF CONDUCT PERFORMANCE:

PERCENT RELATIVE TO TOTAL NUMBER OF:	COVERAGE	WRITTEN/DIGITAL ACKNOWLEDGEMENT	TRAINING PROVIDED
Employees	100%	100%	100%

Remark: Performance only include BJC employees.Excluding all oversea employees.  
Code of Conduct Training include topic of: Conflict of interest, anti-competitive and anti-trust, anti-corruption and bribery, human rights and equality, information security and cybersecurity, insider trading, internal control and audits, responsibility to stakeholders, employee treatment, employee behavior, social responsibility, occupational health and safety, and whistleblowing.

To effectively integrate sustainability throughout BJC, the Board of Directors established the Management Board chaired by the Chief Executive Officer and President, Mr. Aswin Techajareonvikul to incorporate sustainability considerations into daily business activities. The Management Board consists of six members, comprising of senior management, presidents and top executives from all of BJC's business units, ensuring that good corporate governance, transparency and sustainable considerations are accurately integrated in all of BJC's business activities. Members of the management board are appointed by the Board of Directors in a transparent manner under the condition that the Chairman of the BOD and company CEO and President must be independent of each other, prohibiting an individual to serve both positions, ensuring that no particular individual holds a monopoly overpowering BJC.

Furthermore, the Management Board is responsible to ensure consistent business operations, in line with policies, targets and long-term strategies approved by the Board of Directors. The Management Board is accountable for the overall performance, cost control, and investment budgeting as approved in the Company's annual plan. Management Board performance are assessed against 9 key criteria, such as, effective management, implementation of corporate strategy and plans, performance of implementation, relationship building and corporate image improvement, and sustainable management.

Acknowledging that sustainable business growth relies on the collaboration of multiple parties, the Board of Directors appointed various sub-committees to support the efficiency and effectiveness of the Board of Directors. The Board of Directors designated clear scope, roles, responsibilities and tasks of each committee in BJC as follow:

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is responsible to oversee the nomination of qualified candidates for the position of Chairman of the Board, in line with the nomination policy, to be approval from the Board of Directors. The Nomination and Remuneration Committee hold at least 3 meeting per year, in 2020, the committee held a total of 3 meetings.

## **AUDIT COMMITTEE**

The Audit Committee oversee compliance and managing risks which may cause potential damages to the Company. The Committee evaluates the Company's performance such as finance, resource utilization, operations, internal control, information technology, and regulatory compliance. The Audit committee hold at least 5 meeting per year, in 2020, the committee held a total of 5 meetings.

## **INVESTMENT COMMITTEE**

The Investment Committee oversee strategic investments opportunities, which contributes to the growth of the Company, taking into account all associated risks. All investment projects are subjected to approval by the Board of Directors. The Investment Committee hold at least 4 meeting per year, in 2020, the committee held a total of 14 meetings.

## RISK MANAGEMENT COMMITTEE

The Risk Management Committee oversees the enterprise-wide risks, raises risk awareness across the Company, ensuring that performance of all relevant facilities are in compliance with the corporate-wide risk management policy. The Risk Management Committee hold at least 4 meetings per year, in 2020, the committee held a total of 4 meetings.

## EXECUTIVE BOARD

The Executive Board oversees the Company's overall performance, cost control and investment budget. The Executive Board members comprises of presidents from all business supply chains within BJC. The Executive Board hold at least 6 meetings per year, in 2020, the committee held a total of 6 meetings.

## SUSTAINABLE DEVELOPMENT COMMITTEE

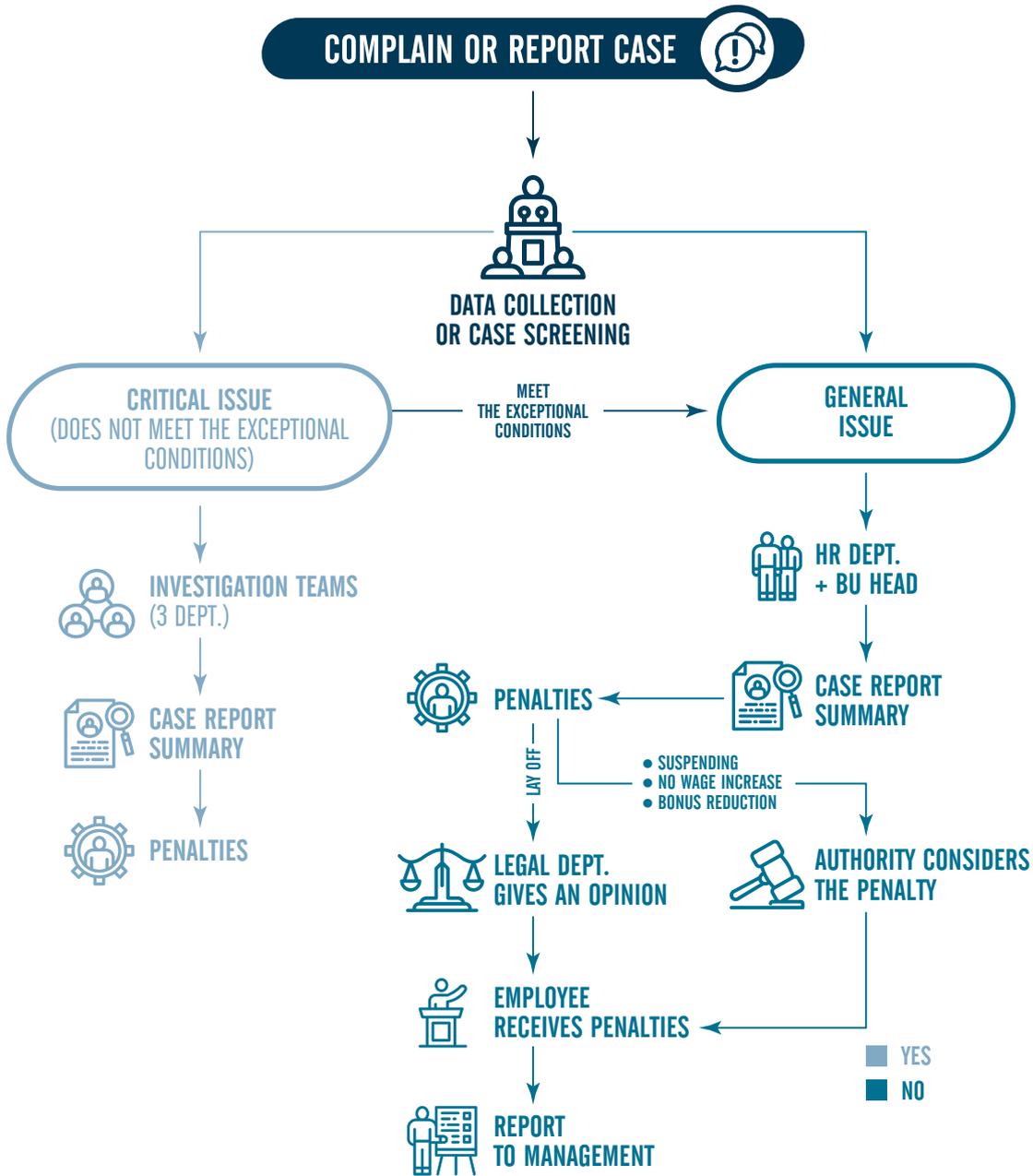
The Sustainable Development Committee oversees the development of sustainable policies and guidelines, resources allocations, monitor performance, and reviewing relevant documents, related to sustainability, integrating sustainability throughout the entire organization. The Sustainable Development Committee hold at least 4 meeting per year, in 2020, the committee held a total of 4 meetings.

## ANTI-CORRUPTION

As part of BJC's commitment to conduct business under Good Corporate Governance practices, BJC developed a companywide Anti-Corruption Policy, emphasizing the company's commitment to controlling and managing risks against all illegal activities such as corruption within the organization. Through strict compliance with the policy and Thai Anti-corruption laws, BJC clearly communicated authorities and duties to executives and employees to ensure that effective supervision is conducted and internal auditing mechanisms are implemented to identify and monitor suspicious actions.

All senior management, directors, and employees /staffs are required to strictly adhere to these policies, which clearly states that employees shall not engage with any form of fraud or bribery, and follow protocols instructed regarding the actions of giving or accepting gifts and entertainment. To ensure accurate compliance to the policy and business ethics, BJC provide all essential information and training, and assess employees understanding, focusing on new employees such that they understand the significance outlined. Moreover, BJC continues to communicate with business partners and relevant stakeholders to encourage and foster awareness regarding this issue, contributing to BJC's intention to create a culture of integrity, absent from any forms of frauds and corruption, fostering a successful and sustainable growth of this business.

In support of the commitment to anti-corruption and transparency, BJC has established channels for employees to report any and all suspicious behaviors, illegal activities, fraudulent activities, violation of the law, Code of Conducts, rules and regulations, or discrimination, harassment or other unethical practices through BJC's corporate-wide Whistle blowing system as illustrated below.



To protect the privacy of the whistleblowers and ensure confidentiality of the information reported. The information is only accessible by authorized individuals and departments, including relevant business unit head and the centralized independent audit committee. The incident information are reported to the management for review and managed accordingly. Should the information be classified as a higher case, e.g. involved the management themselves, incidents are reported to the centralized independent audit committee.

Appropriate disciplinary actions are implemented accordingly to prevent any reoccurrence of violations within BJC. For cases that violate applicable laws, BJC will take necessary legal actions accordingly to discipline the individual, including termination of employment.

In 2020, the consolidation and recording of corruption and bribery cases against BJC’s regulations underwent reconsiderations. In previous years, the consolidated figures, included all corruption and bribery cases internal and external to BJC’s operations and controls. To improve identification and management of corruption and bribery cases, throughout the value chain, BJC’s corruption and bribery cases will only include cases caused internally, where BJC has operation control to remediate the cases accordingly. In 2020, BJC’s business unit’s corruption and bribery cases against the BJC’s regulations are as follow.

## TOTAL NUMBER OF SUBSTANTIATED CORRUPTION & BRIBERY CASES AT BJC

	FY2017	FY2018	FY2019	FY2020
Total number of substantiated corruption & Bribery cases	-	842	654	599

Remark: BJC considers corruption and bribery as apart of breach against the code of conduct. For this reason, the total number of cases for both are presented in the table above, which only include cases of corruption that have been substantiated. This does not include incidents that are currently pending investigation.

BJC is committed to solving all breach of code of conduct promptly after identification. For this reason, as at 31<sup>st</sup> December, there are no incident that are currently ongoing or pending investigation. Since 2018, BJC collected data of fraudulent and corruption incident through the Fraud Case Management System (FCS). The system is used to maintain details of fraudulent and corruption incidents on a centralized database, in a way that information can be easily utilized for investigating incidents as well as assessing historical background of potential candidates. The system records each case to an individual, then segregate the case as one of two types: “Prosecuted” or “No legal action required”. The number of reported cases is equal to the number of fraudulent persons.

BJC have also established an official grievance channels for all Stakeholders to report any information or complaints regarding improper performance of duties or actions that conflict with the Company’s ethics. Depending on the type of complaint, either the Human Resource Department or the Investigating Team will be assigned to handle information and complaints, and investigate any maladministration informed. Once the complaint has been addressed or completed, a report will be prepared as part of closure process.

# RISK AND CRISIS MANAGEMENT



Amidst the increasingly complexed and volatile business environment, companies must adapt to promptly address current and emerging risks and uncertainties which directly and indirectly impacts business operations. Risks such as system failure, natural disaster, political instability and economic uncertainties all present companies with new risks, challenges, and opportunities to manage systematically, to lower risk levels into an acceptable level, while ceasing new business opportunities, to avoid various devastating implications which follows, ensuring business survival and resilience in the new business environment. This have pushed risk and crisis management to becomes an important processes to empower companies with the necessary tools to identify and manage current and emerging risks, providing companies with the foundation to make good decisions-making.

In 2020, a comprehensive risk and crisis management is particularly important for companies, since the outbreak of the Coronavirus (COVID-19) pandemic have significantly altered business environment and customer expectations, bringing about new changes to operating norms, cultures and performance, impacting diverse business sectors, including retail companies.

As a retailer, BJC is aware of these changes in the business environment and have implemented extensive mitigation measures to identifying, and controlling risks and opportunities, including the spread of the COVID-19 pandemic. Mitigation plans include proactive measures to identify potential risks, relevant to BJC's operations, and passive risk measures to mitigate negative financial and non-financial impacts on business operations.

To implement risk and crisis management, BJC emphasizes on fostering risk control as an integral part of the corporate culture, integrating risk and crisis management considerations throughout BJC, through the implementation of Risk Management policy, Crisis Management Plan (CMP) and Business Continuity Management (BCM) in accordance with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management framework (ERM) including determination of Key Risk Indicator (KRI) and stress test to support business growth, ensuring sustainable development and stakeholder confidence. The management engages in a consolidated risk management framework that focus on major risks, namely Strategic, Operations, Financial, Compliance and Environmental, Social and Governance (ESG) or Sustainability risks. To oversee risk and crisis management, BJC Risk Management Structure specifically determines the roles and responsibilities of related departments, along with the independent risk management units. Business unit risks are evaluated through the quarterly performance assessments, taking risk factors into account. To enhance the effectiveness of implemented risk management measures, raising awareness to internal and external stakeholders are conducted through guidelines communications, building confidence in BJC risk management processes.

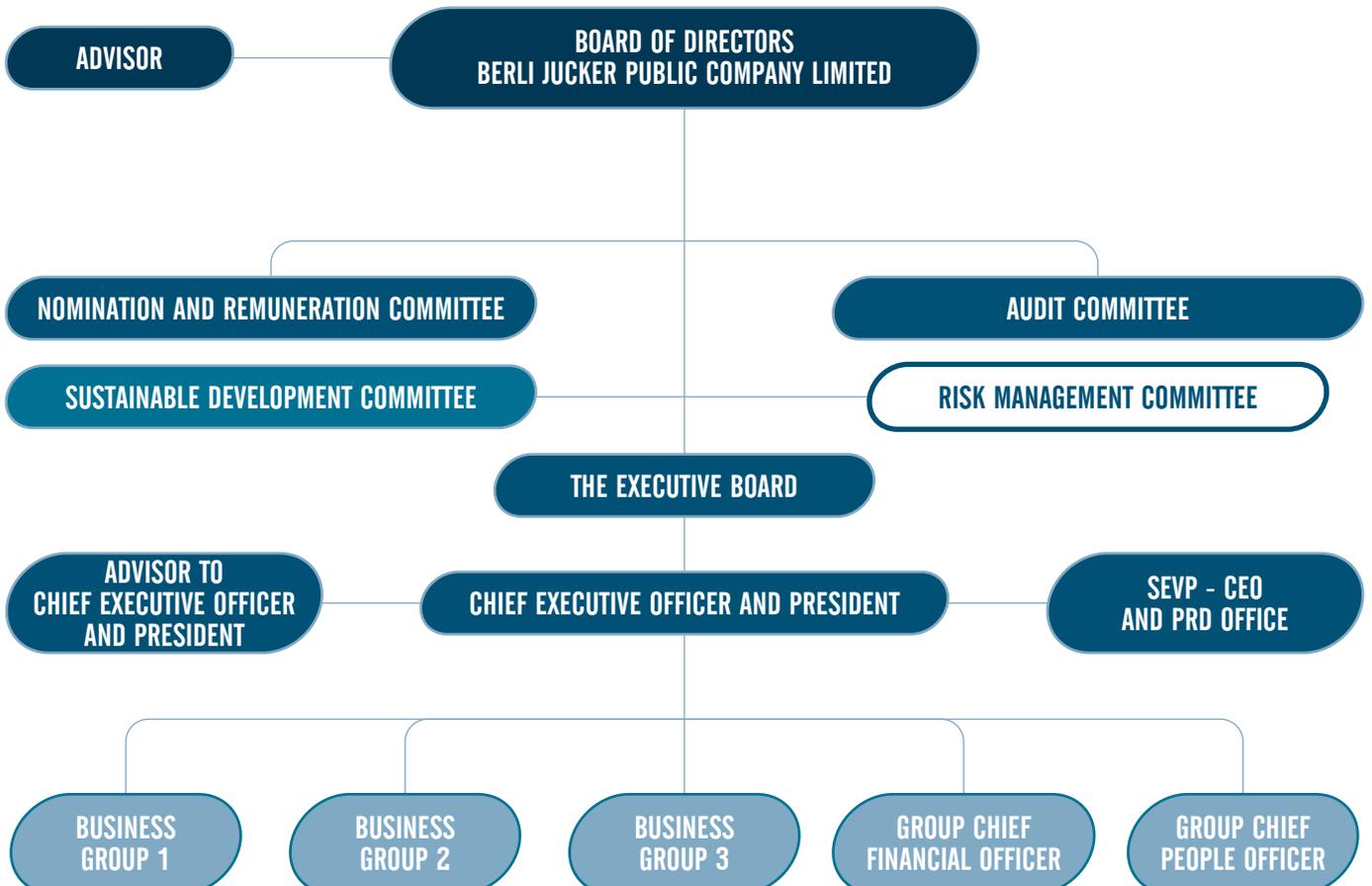
## SHORT TERM TARGET

TARGET YEAR	TOPIC	TARGET	2020 PERFORMANCE
2020	Percentage of trained business unit about ESG risk	80%	92%

## LONG TERM TARGET

TARGET YEAR	TOPIC	TARGET
2025	Percentage of significant ESG Risk has been managed to mitigate risks	100%

## RISK MANAGEMENT STRUCTURE



## THREE LINES OF DEFENSE

To practice good corporate governance in accordance with applicable regulation and requirements, such as Stock Exchange of Thailand (SET), BJC established the 'Three Lines of Defense' process to oversee risk management, separating structures, roles, duties, responsibilities, and decision-making authority, ensuring process transparency.

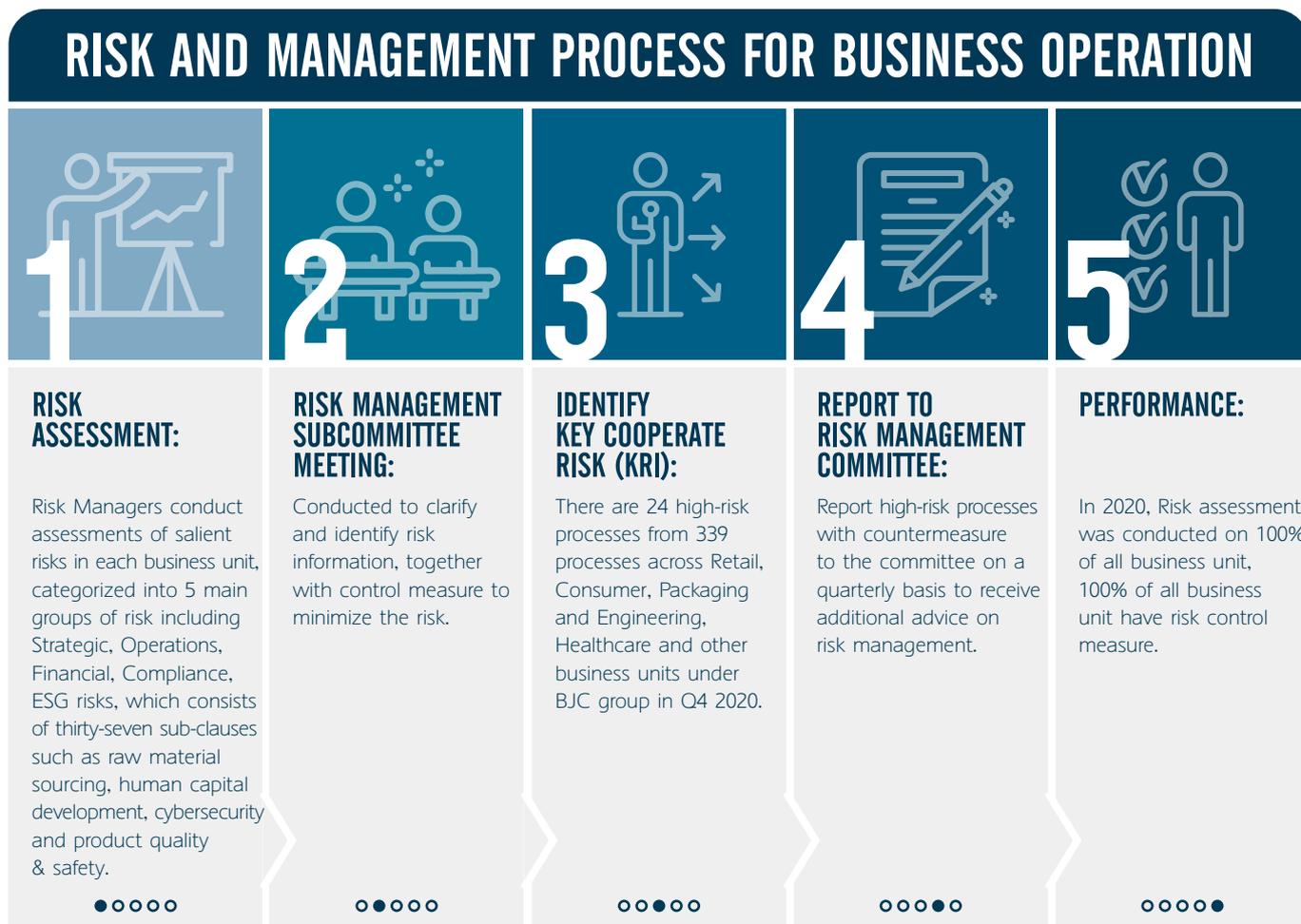
- Established Risk Management Committee to complete the duties stipulated by the regulation of the Securities and Exchange Commission, including review significant corporate risks to ensure that BJC operation in all areas enhances corporate capabilities and safe manufacturing practices, does not present threats to health and the environment, as well as to review investments, finances and commerce, the laws and the regulations in order to establish risk management policies which can be effectively analyzed, evaluated and monitored. The committee also ensures that BJC's risk management is appropriate and effective by identifying strategies to ensure conformity with the risk management charter approved by the Board of Directors; and analyzing, assessing and monitoring compliance with approved risk management policies. In addition, to govern and promote the effectiveness of project-level and enterprise-wide risk management with focus on encouragement of risk awareness for the management and staff to assure proper and appropriate utilization of resources and involvement in actions. The Committee shall report any risk concerns to Board of Director by quarterly basis.

- Established Audit Committee to assist the Board of Director for considering the internal control system and internal audit including evaluate the

efficiency of BJC's risk management to ensure relevance and effectiveness. To safeguard resilience from the pandemic, auditor continued to practice additional audit techniques to increase coverage of audit process and provide early warning of risk indicators to the key operation processes.

- Established Risk Management Subcommittee (RMS), to review, create and propose risk management plan to the Risk Management Committee, as well as identify and assessing BJC's corporate and business unit level risks. Furthermore, the subcommittee will assess, consolidate, report cooperate and ESG risk assessment to the Risk Management Committee on a quarterly and annual basis respectively. Additionally, support risk communication to build a risk culture by educating employees at all levels of the organization on the importance of risk management.

- Established Sustainability and Risk Management Department (SRMD) to develop risk management policy and Standard Operating Procedure (SOP) as well as methodology and tools for risk management process, including present risk trends and significant risk management process to the Risk Management Committee and Audit Committee to ensure that BJC's management is appropriate and effective at least once a year. Additionally, provide advice, facilitate workshops, train BJC on risk as well as promote the development of a common language, create understanding and support management decisions. In addition to conduct annual review of the risk management policy and proposed appropriate changes to the Risk Management Committee if applicable.



In terms of the risk mechanism, BJC has six key risk management process following;

## 1. EVENT IDENTIFICATION

Identify internal and external events affecting achievement of BJC’s set strategy and objectives. Events has been distinguished between risks and opportunities. There are five categories of risk/opportunity as follows:

- **Strategic:** High-level goals, aligned with and supporting BJC Group vision and mission.
- **Operations:** Effective use of resources included information technology management (IT).
- **Financial:** Reliability of financial reporting.
- **Compliance:** Comply with applicable laws, regulations and business standard.
- **Environmental, social and governance (ESG)** or "Sustainability risks".

## 2. RISK ASSESSMENT

Risk assessments are conducted by each business unit under BJC group by evaluating a salient risk likelihood, and the impact on operations, categorizing each risks into appropriate risk management tiers. Each risks levels are assessed under two criterias;

1. Inherent Risks: the amount of risks that exist in the absence of any control measures.
2. Residual Risk: the amount of risks that remain after the implementation of control measures.

RISK LEVEL	DEFINITION
Very High Risk (12, 16)	<ul style="list-style-type: none"> <li>Residual risk remain <b>very high</b></li> <li>This is above the acceptable tolerance level</li> </ul>
High Risk (8, 9)	<ul style="list-style-type: none"> <li>Residual risk remain <b>high</b></li> <li>This is above the acceptable tolerance level</li> </ul>
Medium Risk (3, 4, 6)	<ul style="list-style-type: none"> <li>Residual risk remain <b>medium</b></li> <li>Within the acceptable risk tolerance level</li> </ul>
Low Risk (1, 2)	<ul style="list-style-type: none"> <li>Residual risk remain <b>low</b></li> <li>Within the acceptable risk tolerance level</li> </ul>

In case residual risk level remains higher than acceptable tolerance level, additional mitigation plan are identified.

### 3. RISK RESPONSE

Management selects risk responses avoiding, accepting, reducing, sharing risk or turning into an opportunity to align with the risk appetite. There are five categories of risk response as following:

Acceptance	No action taken.
Reduction	Specific actions taken to reduce likelihood or impact or both.
Transferring	Reducing likelihood or impact by sharing portion of the risk i.e. insurance, or outsource.
Avoidance	Not participating in events that give rise to risk.
Conversion	Turning risks into opportunities to further expand business in the future.

### 4. CONTROL ACTIVITIES

Related policies and procedures are established and implemented to help ensure that risk responses are effectively carried out.

### 5. MONITORING AND EVALUATION

The entirety of enterprise risk management are monitored and updated as necessary. Monitoring is accomplished through active management activities, independent evaluations, or both.

- Risk Management Subcommittee of each business group proposes the consolidated risk management report to the Risk Management Committee for approval during Risk Management Committee meeting on a quarterly basis.
- Procedures to ensure that quarterly reports identifying key risks and implement appropriate risk management actions are prepared for each business group and reported to BJC's Board of Director on a quarterly basis.
- Annual audits and reviews are conducted to ensure that risk management plan has been developed and implemented to reduce and mitigate risk efficiently and effectively.

## 6. INFORMATION AND COMMUNICATION

Communicate risk management guidelines internal and external stakeholders since risk is an important information to formulate strategies, operation and investment decisions.

## EMERGING RISK



BJC defines emerging risks as new risks or familiar risks that has become apparent in new or unfamiliar conditions. These risk are expected to have a long term impact on BJC operations. BJC has analyzed and identified short and long-term salient risks to BJC's business to prepare preventive measure effectively. In 2020, COVID-19, shifted consumer behaviors and market trends, data management and digital infrastructure, cyberattack and breach of privacy and third party are emerging risks as follows;

## PANDEMIC RISK

The COVID-19 pandemic risk has disrupted Global business operations such as health and safety, customer behaviors and supply chain management. Therefore, measures for managing such risks have been implemented to support operation in many dimension as follows:

- Established Business Continuity Management plan (BCM) and Crisis Management Plan (CMP) for crisis management, including work from home policy and guideline, online conference meeting to minimize face-to-face interactions with people during COVID-19.
- Implemented health and safety measure by regularly sanitizing common areas and areas with high-contact points such as tables, and keyboards, wear facial mask.
- Automatic thermometers machine placed at building and factories entrance to screen employees, visitors and customers.
- Support necessary personal protective equipment (PPE) and additional welfare such as medical expense for infected individuals, special offers for COVID-19 insurance.
- Provided COVID-19 self-assessment to screen visitor's symptom prior to entering head office and factories.
- Provided online awareness training regarding symptoms of the disease, preventive measures to all employees.
- Developed digital infrastructure to support work from home, such as defining VPN groups, preparing notebooks, and computers for employees.

## CHANGING IN CONSUMER BEHAVIORS

- Implemented online shopping channels e.g. Facebook, Call-Chat-Shop, Big C shopping online application, drive-thru and home delivery to support new normal behaviors.
- Prepared adequate supplement of high demand products to serve customer's requirement such as rice, instant noodles, water, canned fish.

## SUPPLY CHAIN MANAGEMENT

- Performed suppliers risk assessment to prepare appropriate risk mitigation, with emphasis on critical suppliers to BJC.
- Prepared alternative local suppliers to ensure sufficient product and service with negotiation to suit current situation.
- Organized promotional activities, such as fresh fruit festival by Big C food place, for local agriculturist whom are unable to export products to other provinces due to COVID-19 restrictions.

## CHANGING CONSUMER BEHAVIORS AND EXPECTATIONS



As a consequence of the COVID-19, consumer's behavior such as shopping habit has shift to online channels and expressed increase interest and concerns for health and safety. Therefore, BJC established online channel strategy in line with current trends as well as develop new product to serve customer's need for maintain business growth as follow.

- Developed new product category such as functional drink, and healthy food products.
- Created new shopping channel to facilitate customer transition to use mobile application for shopping online.
- Conduct in-depth analysis of customer data to improve customer demand forecast in each segment, allowing BJC to offer products and services that meet consumer's requirement.
- Launched new promotional campaign or activities that satisfy customers to enhance competitiveness and to increase sale volume.

## RISK FROM DATA MANAGEMENT AND DIGITAL INFRASTRUCTURE



To accommodate to the new normal lifestyle, BJC's business operations has been digitized. This is evident through the work from home arrangements, online meetings and other social distancing activities. However, this presents new risks, since digitization requires enhanced data management and robust information technology infrastructures. A lack of a reliable information system may results in ineffective operations, effecting company reputation and sales. To mitigate this, BJC developed the following procedures.

- Applied Big Data analytics in operation management
- Developed data collection system for greater efficiently and comply with Personal Data Protection Act (PDPA)

## **RISK FROM CYBERATTACK AND BREACH OF PRIVACY**

Through the transition of operations into the modern business environment, digitalization, has become a main strategy to promote products and services, enabling information to be shared quickly. However, this leaves information vulnerable to data security breaches and other cyberattacks, affecting BJC's reputation and credibility. These are managed through the following preventive measures.

- Implemented IT policy that covers business and personal information
- Set up a Disaster Recovery Plan (DRP) to recover sensitive data with security system such as Web Application Firewall (WAF), Intrusion Prevention Systems (IPS), Advance Persistent Threat (APT)
- Performed Vulnerability Assessment (VA) ,and testing the penetration
- Set up authorization to access data and educate employees about how to use technology safely through online training

## **RISK FROM THIRD PARTY**

Any business operation has relied on third parties to produce goods and services, such as BJC. BJC regularly encourage and expect suppliers to conduct business in accordance with business code of conduct, good governance and sustainability standards, creating positive impact for BJC. On the other hand, should suppliers practice unethical business practices, or sell substandard goods and services, BJC risk facing negative reputation. This is particularly important during the pandemic, where attention and resources are focused on local suppliers, which may result in unintentional best practice violations, making third party a risk for BJC. To mitigate this, BJC has implemented the following risk management measures:

- Implemented supplier code of conduct to acknowledge all supplier to comply with BJC business regulations
- Established communication channels to share the code of conduct with suppliers
- Evaluated new suppliers in accordance with the term and conditions of sustainability
- The monitoring processes has been implemented to review any information in social media that has negative impact on BJC reputation and creditability due to supplier's action.

The fact will be communicated to stakeholders, including legal action, were considered against supplier

The process of assessing emerging risk by BJC has been implemented in accordance with the following procedures:

1. Research in the most critical category of risk facing organization in 3-5 years based on academic research and reliable institutions such as Big four audit firms, ECIIA, S&P Global Rating
2. Analyze acquired data and summarize significant risk to propose relevant business unit for feedback and to gather countermeasure to mitigate these risks in the future
3. Present and update emerging risk, as well as current risk management process to Risk Management Committee to ensure that BJC's management is sufficient and effective. The committee provides advice and feedback to the related parties in developing better processes
4. Coordinate with audit department in order to support information related to risk management of corporate and business unit/business partner for ensuring that audit scope is aligned with these risks

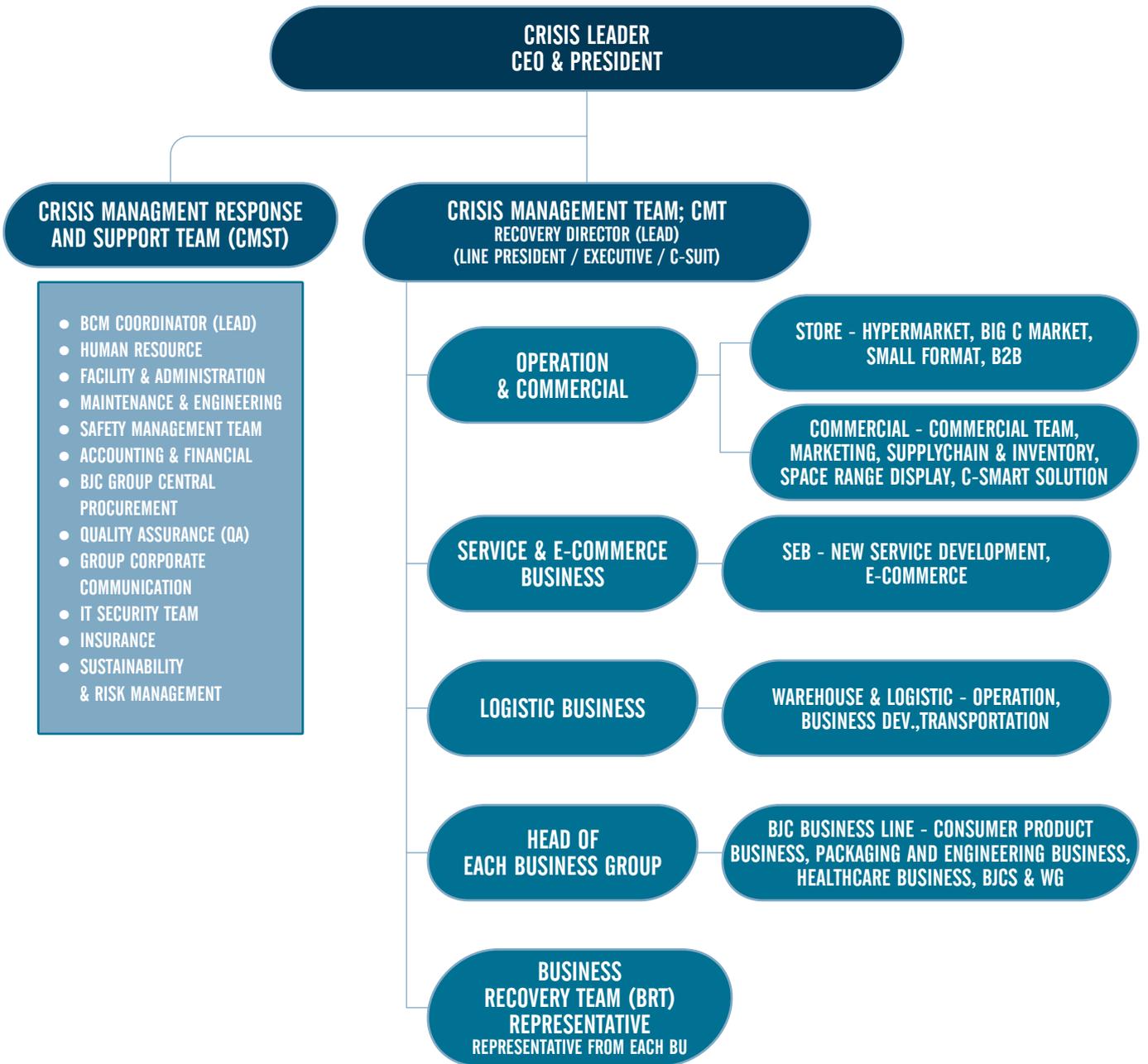
## RISK CULTURE AWARENESS



In order to promote and enhance an effective risk culture throughout BJC, Sustainability and Risk Management Department implemented Enterprise Risk Management (ERM) training is conducted in alignment with COSO requirements.

The Enterprise Risk Management Framework (ERM) provide training on how to assess, mitigate and monitor relevant risks to each business unit and track process for both new and existing business units (upon request). Risk management workshop has also been conducted with responsible persons in each business unit/factory at the organizational level to increase knowledge of risk management and the awareness of all employees, aiming to instill a strong recognition of appropriate risk management procedures to all. BJC has also developed the Standard Operating Procedure (SOP) for Enterprise Risk Management in Risk Management Online System (Company Intranet) to facilitate risk assessment processes and increase the efficiency of data collection of the improved system.

# CRISIS MANAGEMENT STRUCTURE



- Developed the Business Continuity Management (BCM) as a guideline for the development of procedures, protocols and processes for the whole organization to ensure that the critical business functions will continue to run or restart within an acceptable timeline when unexpected event occurred, to reduce the effect from interruption, ranging from impact on financial status, legal status, to other major impacts. The procedure will test annually to ensure the effectiveness of management.
- Implemented the Crisis Management Plan (CMP) for Identifying crisis management strategies and approaches for relevant parties such as employees, the crisis management team and all related stakeholders to carry out crisis operations that impact daily operations. Their role and responsibilities are as follows;

## CRISIS MANAGEMENT TEAM (CMT)

- Continually report on the progress and provide advice to the Board of Directors
- Allocate budget for crisis management and recovery
- Personnel assessment and the resources required for recovery
- Establish remedial measures

## CRISIS MANAGEMENT RESPONSE AND SUPPORT TEAM (CMST)

- Update current situation in various channels and review the current crisis plan including training on a crisis plan
- Coordinate internal and external parties to manage and prepare preventive action plan
- Review and report information to all related parties as well as crisis management team

## BUSINESS RECOVERY TEAM (BRT)

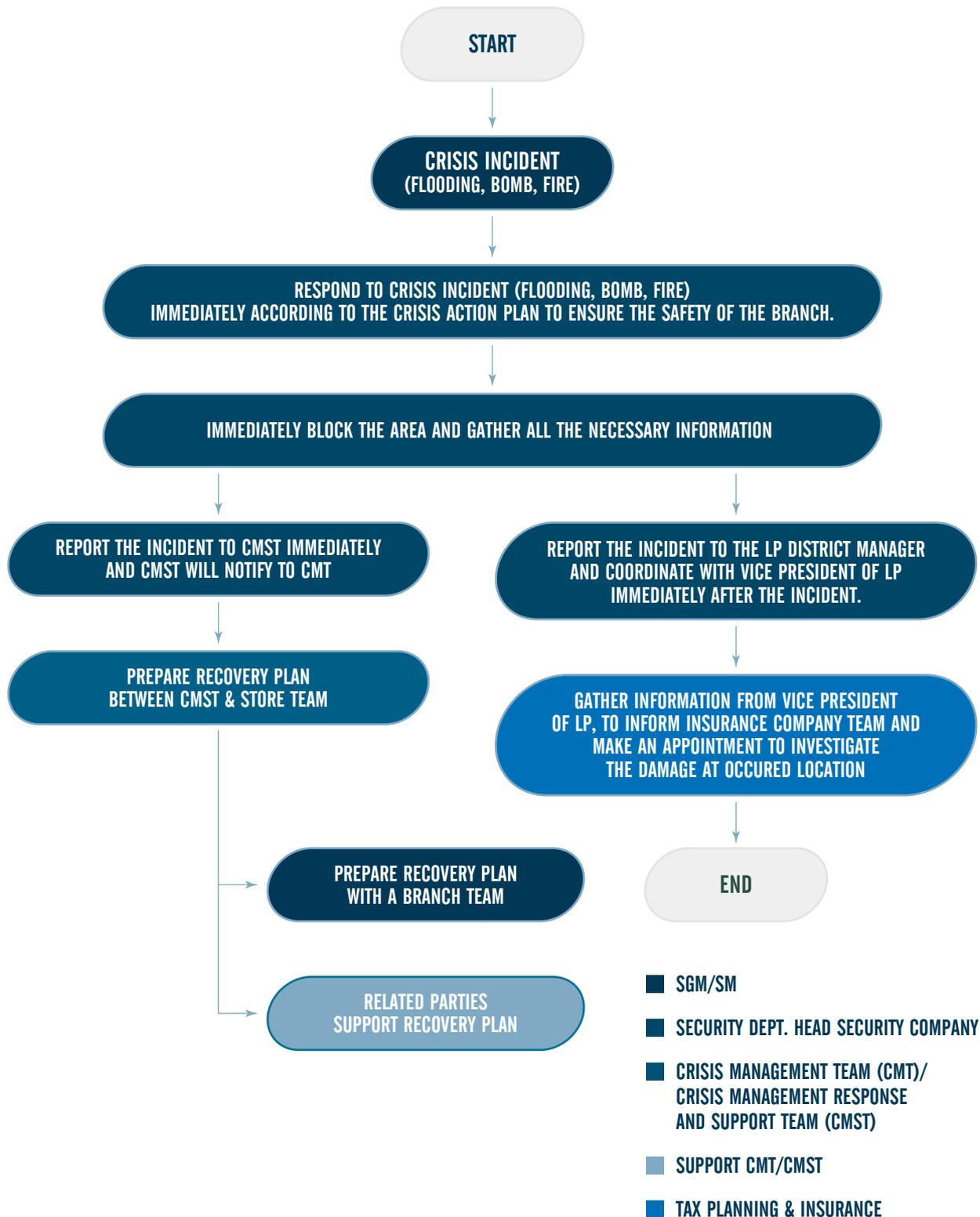
- Inform critical staff and operation in each business unit that has stated in Business Continuity Management (BCP)
- Manage and support crisis recovery measures according to priorities
- Coordinate with stakeholders and check the operation until returns to normal

In addition, BJC has organized a crisis management flow chart with working group according to the responsibilities in order to optimize crisis management process as follows;



# PROCESSES OF CRISIS MANAGEMENT FLOW

## PROCEDURES OF CRISIS INCIDENT



## SAFETY AND SECURITY MANAGEMENT GROUP

- Loss Prevention Department is responsible for maintaining the assets and safety of all stakeholders, as well as coordinating with government agencies and establishing a crisis management center
- Maintenance and Engineering Department is responsible for supporting facilities such as electrical system, building system construction and coordination to alternate site
- Human resource Department is acting in monitoring, reporting and managing temporary employees and medical care in crisis situation
- Occupational Safety, Health and Work Environment Committee takes responsibility for safety and preventive planning as well as coordination with the relevant authorities to clarify the incident.

## FINANCIAL AND INSURANCE GROUP

- Accounting and Finance Department will manage problems related to fund reserves, as well as to plan fund requests approval in emergency time
- Central Procurement Department has responsibility for evaluate and manage procurement process during crisis
- Insurance Department will monitor and track assets to evaluate damages and gather related information to make claims from insurance company

## COMMUNICATION GROUP

- Corporate Communication Department is responsible for communications management in public relations through online and offline channels to internal and external stakeholders, such as sharing communication messages to subordinates as well as clarifying negative consequences
- Information Technology Department is in charge of applying disaster recovery plan including evaluating damage to information technology systems. In additional, providing support for the necessary hardware, software, and connectivity networks.

## BUSINESS IMPACT MANAGEMENT GROUP

- Sustainability and Risk Management Department will assess risks and analyze business impacts to management for consideration. Additionally, prepare preventive action to manage risks that affect business continuity
- Transportation and Warehouse Management Department will monitor transportation plan, inventory and distribution impacts from crisis. The department also handle storage management, distribution, and transportation to alternative locations.

In 2020, BJC faced three major crisis; flooding, active shooting and the COVID-19 pandemic. The crisis management plan has been set for these major risks to operate the business continuously as follows;

# FLOODING CRISIS MANAGEMENT

## PROCEDURES OF CRISIS INCIDENT



BJC has implemented crisis management plan to handle the flooding crisis with the cooperation of several departments that assessed the severity of the situation. In addition, there were recovery plans for post-crisis. All parties are required to resolve any issue and assist other parties as much as possible.

# ACTIVE SHOOTING MANAGEMENT

	Big C EMPLOYEES	SAFETY AND SECURITY GROUP (SGM)	SHOPS IN TOWN CENTER	CUSTOMERS
DURING SITUATION	Observe current situation and make quick decision	Evaluate current situation and prepare Emergency Layout and Contract	Observe current situation and make quick decision	Survey area and surrounding
	Run to a safe exit away from the building.	Maintenance and Engineering Department (MTN) bring building's layout	Run to a safe exit away from the building.	Looking for two nearest exits
	Run to another direction away from the vision of a shooter	Loss Prevention Department (LP) use CCTV to check and follow up a shooter with safety concern	Run to another direction away from the vision of a shooter	Leave all belongings and car in area
	Take customers together as we know the safe route	Loss Prevention Department (LP) contract police and inform all information as much as possible	Take customers together as we know the safe route	Run to safe exit or follow the route that employees run
	Leave all belongings and car in area	Loss Prevention Department (LP) close all entrance-exit and waiting for coordinate with police officers	Leave all belongings and car in area	Do not use elevator, take stairs
	Do not use elevator, take stairs	Supervisor or manager list all customer and employees information in safe area	Don't use elevator, take the stairs	
	Try to remember a shooter's character if possible		Try to remember a shooter's character if possible	
	Do not use alarms as it causes a shooter to panic		Do not use alarms as it causes a shooter to panic	
AFTER SITUATION	Check colleagues and notify the supervisor <ul style="list-style-type: none"> <li>• Injury / death</li> <li>• Mental status e.g. fear, panic</li> </ul>	Set up administrative division to receive information and check people who enter to the area after the situation is safe	Coordinate with administrative division to enter the area	
	Enter the area to check damage and clean up	SGM: Report all incident to executives and summarize information to Corporate Communication Department (GCCD) department in delivering news to public	Check damage in their own shops	
	Try to encourage each other	Customer Service Department: Get detailed information from customers affected in situation.	Do not post or give news through public media since Group Corporate Communication will take the responsibility	
	Do not post or give news through public media since Group Corporate Communication will take the responsibility	LP: Coordinate with related parties and provide information such as CCTV and prevent unrelated persons from entering to area		
		Human resource Department (HR) <ul style="list-style-type: none"> <li>• Collect the number of injured persons. (Customers/Employees) and the hospital where the injured person are admitted</li> <li>• Coordinate the Department of Mental Health to heal mental health.</li> </ul>		
		Town Center: Collect information on the affected rental store in the situation		
		Informed all the damage information to administrative division for insurance claim by divided into <ul style="list-style-type: none"> <li>• HR : Injury/death</li> <li>• LP : Damaged property and customer's belongings</li> <li>• MTN : Infrastructure and Facility system</li> </ul>		

As active shooting situation occurred at shopping malls, BJC has established crisis management plan to manage the situation with remedy plan to support mental health of affected victims.

## COVID-19 PANDEMIC MANAGEMENT

The continued global outbreak of the COVID-19 pandemic, has significantly impacted global economic stability. To remediate this, BJC's implemented preventive measures, aims to safeguard employee safety, ensuring their health and safety to continue work regardless of the outbreak.

### EMPLOYEE

BJC established guidelines, policies and communication channels for employees comply to ensure the safety of employees during the pandemic. Furthermore, personal protective equipment (PPE), increasing medical expenses for infected employees, offer special deals for insurance, are offered to employees, granting access to needed protection. In addition to the following preventive measures;

1. Maintenance team will prepare sprayers for disinfectant spray in the sale area, town center, including the customer's bathroom and trolley.
2. Branch managers instruct employees to conduct 'big cleaning' in facilities, shelf in each department.
3. In the case of employees infection at a BJC facility, a 14 days, 20 days or 1 month self-quarantine in accordance with the public health's regulation will be enforced.
4. Disinfectant areas are continuously sprayed in case an employee is infected.

### CUSTOMERS

In the retail sector, BJC has adjusted the business strategies to be in line with the "New Normal Life" by increasing online channels and phone calls to receive orders from customers (Call-Chat-Shop and Big C Shopping Online) in addition to delivering service to customers' cars (Drive-through) to minimize interactions.

### SUPPLIER

BJC closely monitors the situation of suppliers to ensure sufficient access to raw materials and products in the retail business. In factories, BJC enforces various measures to uphold employee hygiene while minimizing the impact on production process in order to have adequate products for customers; especially consumer products.

### TRANSPORTATION

BJC appropriately plans transportation arrangements such as preparing work permits during the lockdown period, as well as adequate car and staff for products distribution to meet consumers' needs.

### LIQUIDITY AND FINANCIAL STATUS

To remediate various negative factors, such as reduced income, high fixed costs, negative cash flow, undelivered products and default of receiving payments, BJC review budget plan to maintain financial liquidity by negotiating with creditors about loan term and interest rate to reduce unnecessary expenses. Moreover, stress test have been implemented to verify BJC's financial strength with contingency plan for long term business continuity.

# HIGHLIGHT PROJECT

## 1. INTEGRATED ESG RISK INTO RISK MANAGEMENT ONLINE SYSTEM (RM ONLINE)

BJC integrated 37 important sub-clauses of ESG risks into the quarterly risk assessment, assessed through the RM online system in Q42020. The program allows each business unit to fill details about relevant risk which impacts their operations accordingly. The system provides convenience for users to search, update, and analyze salient risks to their respective business units, evaluating financial and nonfinancial risk impacts based on the impact and likelihood of each risks, automatically categorizing risks into appropriate management levels.

The system enable authorized persons to access the system in real-time through standard risk management. Moreover, users will be able to extract risk report in excel and PDF format, allowing risk owners and related parties to reduce time, from preparing reports, resulting in a more efficient operation.

## 2. ESG RISK TRAINING FOR BJC EMPLOYEES

In 2020, BJC provided training about sustainability (ESG) related risks to raise awareness and understanding of the risk assessment to relevant departments, since ESG related risk is a part of the main corporate strategies, aligning and integrating economic, environmental, and social concerns into future strategies. 56 out of 61 departments participated in the training, equivalent to 92% of all departments. This leads to a more efficient and accurate assessment of ESG related risks.

Each departments are required to conduct ESG risk self-assessment, at least once a year. The result of assessment in Q42020 found that Human Capital Development was considered to be the highest ESG corporate risk arising from a shortage of skilled employees in some departments. To remediate this, the Human Resource Department has plans to develop additional skills and competitiveness and review the employee potential assessment system.



“

*This training has helped me to deeper understanding of ESG risks, resulting in more sustainable management in my Fresh Food operation since environmental, governance and social are concerned point among investors and people. ESG actions can help navigate the crisis while building resiliency and long term value creation to business.*

”

**MR. PIRIYA KAMOLDECHDECHA**  
EXECUTIVE VICE PRESIDENT, COMMERCIAL FRESH FOOD AT Big C



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*In my canned business operation, an understanding of ESG risks through the training is very helpful in mitigating risks and sparking new technology opportunities in the business along with being able to return profits to the society. This helps to expand our sustainable business operation as well*

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**MR. SAROJ CHAYAVIVATKUL**  
PRESIDENT OF THAI BEVERAGE CAN COMPANY LIMITED

### 3. DEVELOPMENT IN “AUDIT PROCESS AUTOMATION” SYSTEM

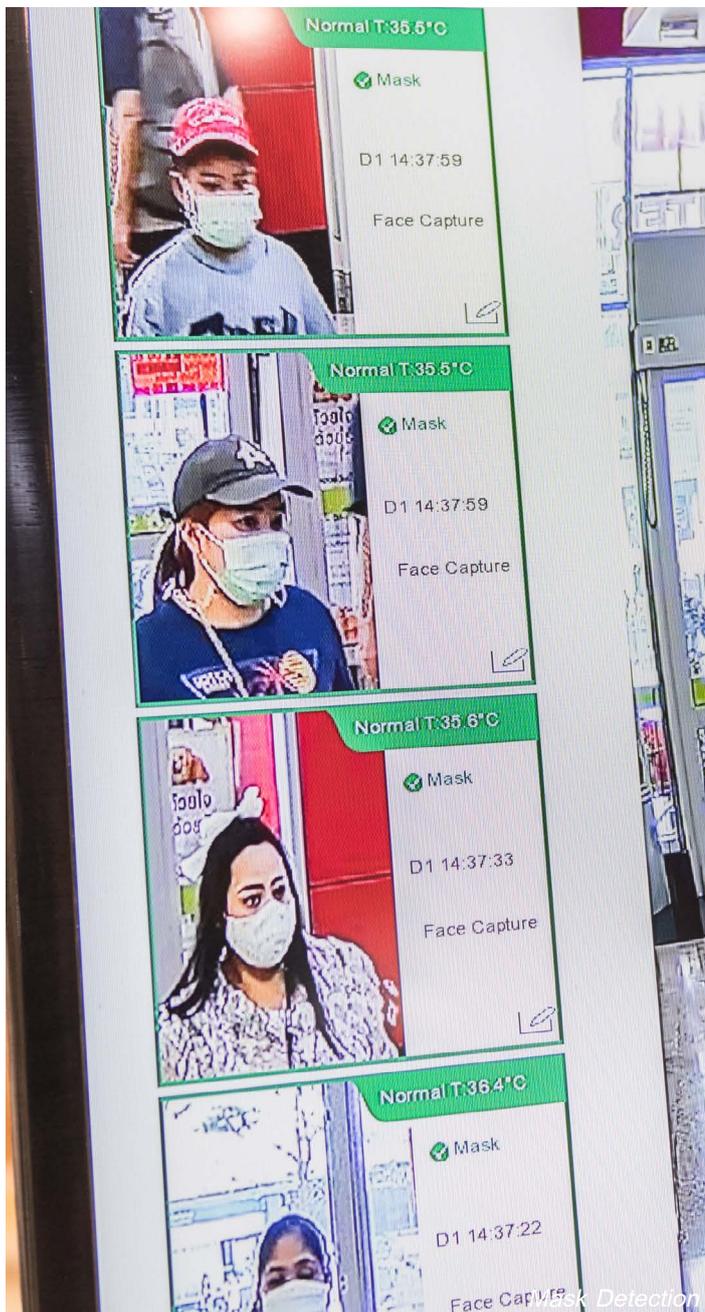
BJC developed the “Audit process automation” to monitor the operational planning and status in business unit. The system upgrade auditor's operation from manual to web application, allowing relevant parties to view, update and see progress of audit findings. This system foster more efficient monitoring planning by focusing on operational audits and risk management to resilience current risks with useful recommendations for self-assessment. The system has been developed to ensure that audit planning is appropriate and effective for current situation and covers sustainability issues.

Moreover, compliance audit checklist are also implemented in the system at Mini Big C where the system will automatically calculate the risk level. The system simplify complex processes by reduce manual process from one-two months to real-time working. The system is expected to expand into other store category such as Market, Hyper and Pure.

### 4. ARTIFICIAL INTELLIGENCE (AI) THERMOSCANS AT Big C

Big C has planned to implement a smart thermometer temperature using Artificial Intelligence (AI) technology to screen, and detect masks and face recognition for employees, customers and visitors to Big C branch and Headquarter. The thermoscans accommodates for large number of customers, ensuring safety while safeguarding building credibility with government investigation through the following process;

- **Temperature screening:** measure customer and visitor body temperature, alerting individuals with higher than normal body temperature, indicated by Green (normal), Red (abnormal)
- **Mask Detection:** monitor customer and visitor mask, detect by yellow (no mask), Green (Mask)
- **Face Recognition:** detect individuals on non-blacklist and blacklist from recorded list in systems, alerting relevant parties via phone application and location. Temperature detection is expected to be 90% accurate, compared to real face proportions. BJC expects to expand use of this technology in other Big C branches.



Mask Detection



Temperature screening



Mask Detection



Face Recognition

# SUPPLY CHAIN MANAGEMENT



On the account of increased information availability and accessibility to communities, as local economies continue to develop, modern consumers have expressed an increase conscientious for sustainability when selecting products and services, prioritizing companies that practice responsible supply chain, while holding companies accountable to take appropriate actions to manage impacts accordingly. Today, consumers are seeking a holistic, transparent and traceable supply chain about a company products and services including, how and where raw material are sourced, how they are processed, how they are moved and stored, to where and how they are sold.

The expectation for a transparent, traceable and responsible supply chain have pushed companies to transition away from a traditional linear supply chain of make-consume-disposed, prioritizing low cost production, to a circular supply chain, often applied through a sustainable supply chain, prioritizing appropriate value chain impact management, taking environmental, social and economic criteria into consideration. A sustainable supply chain safeguards operations value chain from potential violations against various issues, such as ethical sourcing, human rights, fair labor practices, environmental protection and anti-corruption, which, if breaches, could result in detrimental operational and reputational damage to the company, hindering a sustainable growth.

BJC have longed recognize the importance of a responsible and transparent supply chain, which minimizes negative impacts to the environment, society and economy, while protecting the rights of all stakeholders throughout the value chain. As such, BJC have committed to uphold and implement a responsible business practice, conducted through effective sustainable supply chain management.

To protect the rights of all stakeholders throughout the value chain and promote a sustainable supply chain practice, BJC strictly complies with relevant laws and regulations, consistently striving to conduct business in a responsible manner. To uphold a high operation standards throughout the company, BJC established a corporate-wide **Supplier Code of Conduct**, which covers 1) Responsible Business Management, such as Business ethics, corruption and Bribery and fair competition, 2) Environmental Management, such as Sustainable use of Resources, and appropriate waste management, and 3) Social Management, such as Occupational Health and Safety, Human rights, and social responsibility. The Code of Conduct is practiced by all employees, suppliers and relevant business partners alike throughout the organization, providing and supervising suppliers and business partners against a clear compliance framework for all suppliers, limiting potential ESG violations, assuring that all suppliers and business partners will uphold BJC's high business practice standards to operate in accordance with relevant laws regulations, protecting all stakeholders throughout the value chain. All suppliers and business partners must acknowledge the supplier code of conduct prior to engagement with BJC.



## TOTAL SUPPLIER

	2017	2018	2019	2020
Total supplier	8,851	8,796	9,491	14,756

Remark: In 2020, the scope of non-trade supplier counting has been expanded to be more comprehensive. And there is an increase in the number of supplier to manage risk.

## 2020 CONTRACTOR/SUPPLIERS/SERVICE PROVIDERS CODE OF CONDUCT PERFORMANCE

PERCENT RELATIVE TO TOTAL NUMBER OF:	COVERAGE	WRITTEN/DIGITAL ACKNOWLEDGEMENT	TRAINING PROVIDED
Supplier code of conduct	100%	85.69%	82.54%

BJC acknowledge that potential supply chain risk violations are not constant, but continuously evolve parallel to environmental, social and economic development. As such, to keep up with these changes, the BJC Supplier Code of Conduct is subjected to a review every two years, to assure that the policy is suitable and applicable to cover emerging sustainability topics, effectively protecting the company.

In addition to the Supplier Code of Conduct, to better understand, minimize, and mitigate potential risk and violations in the value chain, BJC conducts an in-depth risk assessment, which include Environmental, Social, and Governance (ESG) criteria considerations on suppliers and relevant business partners, including, trade partners, service providers, contractors and other business alliances. To monitor compliance of these stakeholders, BJC set compliance targets as follow;

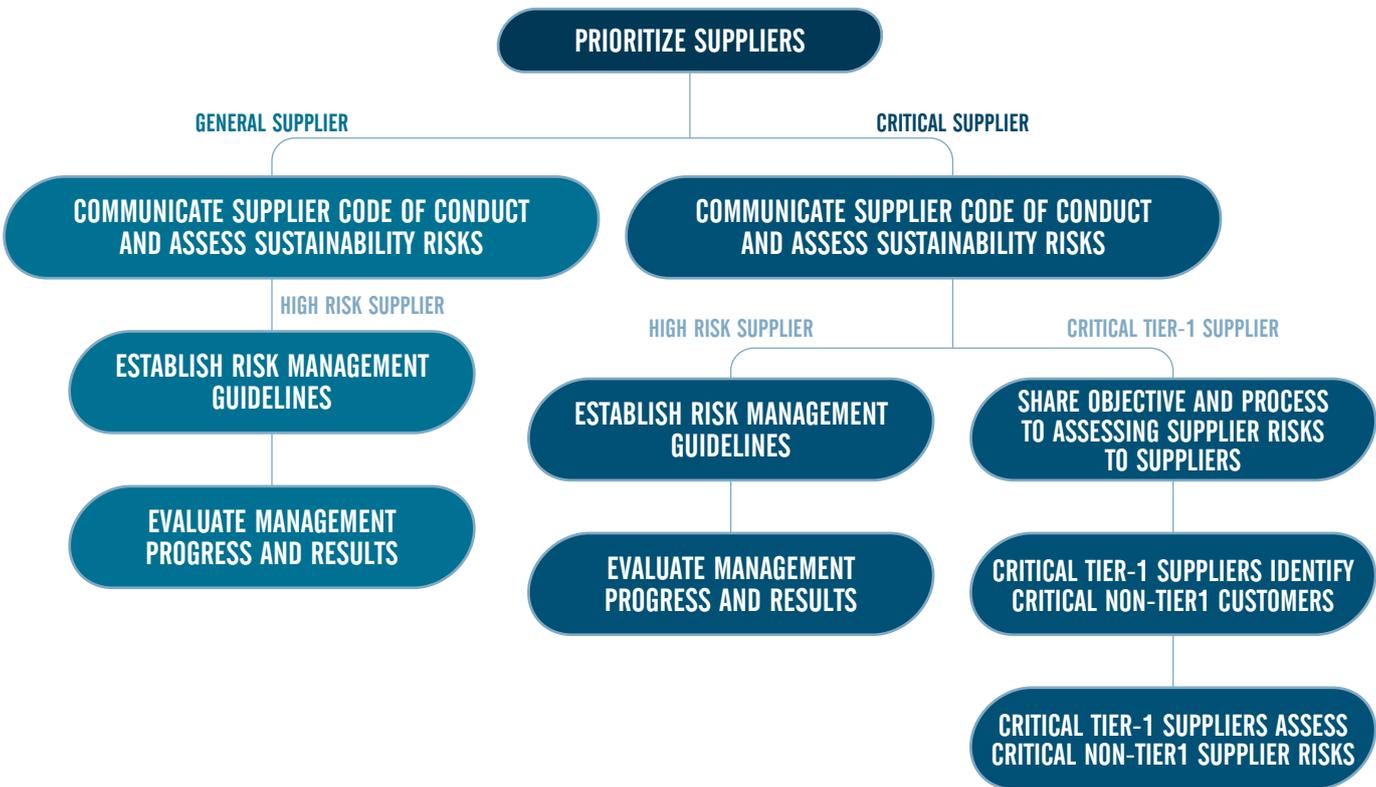
## SUPPLY CHAIN MANAGEMENT TARGETS

SUPPLY CHAIN STRATEGY		TARGET	TARGET YEAR
Supplier code of conduct	Inform	100%	2022
	Acknowledge	70%	2025
	Training	70%	2025
Risk Assessment	Risk assessment in ESG	100%	2022
Sustainability	<ul style="list-style-type: none"> <li>Acknowledge staffs about supply chain &amp; sustainability</li> <li>Acknowledge suppliers about sustainability</li> </ul>	100%	2022
		70%	2025

Remark: Supply chain strategy focus awareness assess improvement

Since BJC’s sustainability transition, BJC has introduced a new selection process for potential suppliers, conducted prior to any supplier’s engagement with BJC. The selection process include an evaluation of a supplier Environmental, Social and Governance (ESG) issues, such as natural resource utilization, Human Rights and corruption, allowing BJC to better identify compatible suppliers for the new business priority, leading to a long-term sustainable relationship. The evaluation process include post-selection performance evaluation, including fundamental topics such as product/service quality, price suitability, reliability of services, payment terms, financial stability and delivery capability. Should a potential supplier fail the evaluation, they are required to remediate the gap and improve their operational standards in accordance with BJC’s requirements within a set time period, else they risk being terminated from becoming a supplier with BJC, to prevent potential future violations which may affect BJC’s operation and good reputation.

## SUPPLIER RISK ASSESSMENT PROCESS



Due to the diversified nature of BJC business, operating across multiple supply chain, the number of business partners BJC engages with continue to increase, exposing the company to various supply chain risk. To achieve effective and tangible supply chain management results from the limited time and resources available the Procurement Department, with the Sustainability and Risk Management Department developed the **Supplier Risk Assessment and Management Process**, to categorize suppliers into management tiers, based on their risk levels. Each levels are then managed accordingly through self-assessments, training sessions for suppliers to increase supply chain risk and opportunity awareness and conduct on-site assessments.

# SUPPLIER CATEGORIZATION

BJC regularly engages with a collection of suppliers in diverse industries, each suppliers engages with BJC in different format and frequencies, depending on the criticality of each suppliers. For this reason, a centralized management approach is not applicable to all suppliers. As such to appropriately manage suppliers, BJC categorize suppliers into three distinct tiers including, Critical Supplier, Critical Tier 1 Suppliers, and Critical Non-Tier 1 Suppliers, each tiers are managed differently, allowing BJC to maximize resource and time efficiency. To categorize suppliers into tiers, suppliers are assessed on two key considerations, Total spending and Criticality to Business Operations.

## PROCESS OF IDENTIFY CRITICAL SUPPLIER

Identify “Critical Supplier” by using the following criteria:

- Total Spending per year
- Critical component suppliers
- Non-substitutable suppliers
- Key Strategic supplier



## SUPPLIER ASSESSMENT CRITERIA

1. Total spending per year: for trade suppliers, the spending must be more than 70% while for non-trade suppliers, the spending must be more than 80%; and
2. Critical for Business Strategies: including suppliers with key components (i.e. high dependency) and non-substitutable suppliers, e.g. after sale service providers and trendy product suppliers.

## SUPPLIER DEFINITION

A supplier is an organization that provides a product or service used in the supply chain of BJC. A supplier are organization which have been registered under the BJC supplier system.

### CRITICAL SUPPLIERS

Are suppliers which provides BJC with goods, materials, services (including intellectual property (IP)/ patents) which have a significant impact on operations, competitive advantage, and market success or survival of BJC. Critical suppliers include suppliers of high-volume goods and services, suppliers of critical components and non-substitutable goods and services.

### CRITICAL TIER 1 SUPPLIER

Are suppliers which are critical, and provides products, materials and services (including intellectual, property (IP)/Patents) directly to BJC.

### CRITICAL NON-TIER 1 SUPPLIERS

Are suppliers that are considered critical, and provide their products and services to the supplier at the next level in the chain (tier-2 suppliers and higher).

In 2020, BJC had a total of 14,756 suppliers, 165 of which are critical suppliers, accounting for 19.68% of total procurement spending in 2020.

## CONDUCT SUPPLY CHAIN TRAINING SESSION FOR EMPLOYEES

To improve internal supply chain process integration of ESG considerations, to identify, mitigate and manage ESG related risks and opportunities. The centralized sustainability and risk management department conduct training for Business Unit heads, management and relevant personal, whom are carefully selected since they are in a position to make tangible changes to operations. The selection is also emphasis on the procurement and merchandising department on why and how ESG considerations are integrated into the corporate supply chain.

In 2020, 90% of all Business units, or 100% of all operations within Thailand, received ESG Training.



## CONDUCT SUPPLY CHAIN TRAINING SESSION FOR SUPPLIERS

Through a firm believe that effective supply chain risk management is achieved through a collaboration with reliable and trusted business partners, and high potential SMEs, BJC continued to conduct the Big C's Supplier SME's @Heart to continuously identify, support, strengthen and build relationships with valued suppliers, which have less than a year relationship with BJC, and ensure that new suppliers accurately complies with BJC's business practices, the Big C Commercial Team, implement the Supplier Development Training, a two-day workshop course aiming to educate and clarify Big C's buying process to all suppliers, starting from supplier's assessment, trade negotiation, service standard, and quality expectation.



In 2020, BJC conducted the workshop, on the 18<sup>th</sup> November 2020, at Big C Extra Lardproa Branch covering Big C's overall business approach and expectations, post COVID-19 e-commerce, retail landscape and consumer behavior trends, in addition to trade, promotion and media plans, building the capacities of SMEs to ensure a resilience business operation with BJC. The event was participated by 94 suppliers, from 26 companies. Due to limited SME with products in the General Merchandise (GNM) industries, only Dry Food and Fresh Food suppliers were invited to participate in the Big C's workshop. The course received an 'A' satisfaction score of 4.86 out of 5 was achieved from a post course survey.



## CONDUCT SUPPLY CHAIN TRAINING SESSION ON-SITE ASSESSMENTS

Finally, to closely monitor critical suppliers compliance with the Supplier Code of Conduct, to minimize violations within the supply chain, BJC conducts on-site assessments, evaluating supplier's product and service quality, business ethics, labor practices (i.e. child labor, forced labor, compensation, working hours, migrant labor, and occupational health and safety), in addition to environmental issues such as energy management, climate change, waste and wastewater management. In addition to farms, animal well-being and aquaculture, which are audited regularly.

On-site assessments are conducted based on supplier's level of compliance against standards. As such, suppliers with certifications by governmental or private entities such as Good Agricultural Practice (GAP), Global GAP, Good Manufacturing Practice (GMP) or other recognized standards are subjected to an audit every 2 years, whereas suppliers without certifications are subjected to an annual audit.

In 2020, BJC visited 51 supplier site to conduct assessments.

## CORRECTIVE ACTION PLANS

As a result of the on-site assessment, it is revealed that 12 supplier's current operational standards did not meet BJC's expectation. As such they are required to conduct a corrective action plans within a set time period to amend their respective gaps. The assessment found that a common issue found in supplier's operation include a lack of accurate documentations and cleanliness or process and facilities.

## EXTERNAL COLLABORATIONS: Big C'S SUPPORT FOR KASET WISAI AGRICULTURE RICE

Big C recognize the devastating impact volatile prices are having on farmers and producers of staples products such as rice. This issue was intensified in 2013, where middleman and unbalanced supply and demand have resulted in lowered rice prices, thus income for farmers.

To remediate the issue of unpredictable rice prices and to support farmers and producers, done through evaluating all rice SME partners who sold to Big C, to identify SME with the most potential to develop. In 2019, Big C identified that "Thung Kula 101 Jasmine Rice 100%, 5kg", from the Kaset Wisai Agriculture Cooperative Limited has the highest potential to develop, thus Big C have collaborated with the group to develop their products under the Big C brand "Big C Thung Kula 100% Jasmine rice 5kg", continuing into 2020.



# RAW MATERIAL SOURCING



Amidst the intensified market competition, companies are continuously competing for raw material resources to meet the growing needs of their respective businesses. However, in the midst of this competition, companies can overlook the impact raw material sourcing can cause on the sustainability of raw materials resources, which in turns affects the quality and safety of products and services.

As an increase population of consumers continue to demand for a transparent and sustainable supply chain, and responsible raw material sourcing, companies are prioritizing investing in responsible raw material sourcing practices, to not only reduce environmental impacts, but also to identify and manage risks and opportunities. Furthermore, this investment also extend to sourcing from suppliers with relevant product and services certifications, ensuring good product and services safety and quality for all customers. In aligning with the established **Sustainable Supply Chain Commitment**, BJC is committed to engage in good raw material sourcing practices, to conserve the finite resources available, minimizing the negative impacts on ESG criteria's. This allowed BJC to not only minimize supply chain risks, but also protect all stakeholders throughout the value chain, through quality product offerings, elevating their quality of life through everyday products and services. Failure to practice good raw material sourcing results in delayed procurement of raw materials for product and services production, leading to long-term environmental degradation, effecting local ecosystem and society, and risk consumer complaints.

## MANAGEMENT APPROACH

BJC applies responsible raw material sourcing practice through emphasizing sustainable natural resource management. This is guided by the established corporate wide **Agricultural Raw Materials Guidelines, Animal Welfare Policy and GMO Policy**, which clearly outline BJC's approach and expectations to raw material sourcing. The policy states that BJC and its subsidiaries will reduce water consumption, reduce environmental pollutions, protect soil health, prevent the destruction of ecosystems, and reduce GHG emissions, contributing to a sustainable operation.

In 2020, BJC considered developing a **Sustainable sourcing standards** throughout the company's value chain. This will expand the scope of responsible raw material sourcing practice to include adopting international best practice standards such as Marine Stewardship Council (MSC) and Aluminum Stewardship Initiative (ASI). At present BJC products are sourced from suppliers with the following certifications.



PALM OIL

ROUNDTABLE ON SUSTAINABLE  
PALM OIL (RSPO) STANDARD



SOY

ROUNDTABLE  
RESPONSIBLE SOY (RTRS)



SUGAR

BONSUCRO STANDARD

Finally, BJC always pride itself as a ‘Thai Retailer Store with Customers at its Heart’, striving to improve the quality of life for Thailand. Through this firm believe, the company has a ‘Buy Local, Sell Local’ approach, prioritizing the procurement of local products and services, over international products and services. BJC local spending in 2020 are as follow.

## LOCAL SPENDING IN THAILAND

PERFORMANCE	UNIT	2019	2019	2018	2019	2020
Total spending of general procurement budget	Baht	133,298,713,674	129,617,590,190	135,798,142,394	134,542,067,780	122,085,241,282.83
Spending on purchasing of products and services from local suppliers and contractors for significant operations (i.e. in Thailand)	Baht	126,457,476,060	122,878,825,374	130,288,850,472	129,297,875,351	18,468,556,667.92
Percentage on spending from local supplier comparing to the total general procurement budget	%	94.87	94.80	95.94	96.10	97.04

## FOREST STEWARDSHIP COUNCIL™ (FSC™) AT BJC

### SUSTAINABLE WOOD RAW MATERIAL SOURCING AT CPC

Berli Jucker Cellox Limited (FSC™-C144249) have always prioritizes the well-being of society and the environment, striving to continuously minimize and mitigate negative impacts to surrounding society and environment. As a paper product manufacturer, pulp and recycle paper is a critical raw material for CPC. To ensure minimum impact, towards the environment which CPC’s raw material grows, and to ensure the sustainability of these resources, CPC sources pulp wood which have been certified in accordance with the **Forest Stewardship Council™ (FSC™) Chain of Custody Certification (CoC)**. This ensures that all pulp wood resources are sourced from legal forest, which have been managed under industry best practices.



## SUSTAINABLE WOOD RAW MATERIAL SOURCING AT RIL

Similar to CPC, Berli Jucker Rubia Industries Ltd. (RIL) also continuously seek new approach to reduce paper-based waste. In 2020, RIL uses cartons from manufacturers that use 100% recycled paper fibres, which reduced a total of 800 tons of paper waste for BJC's products.

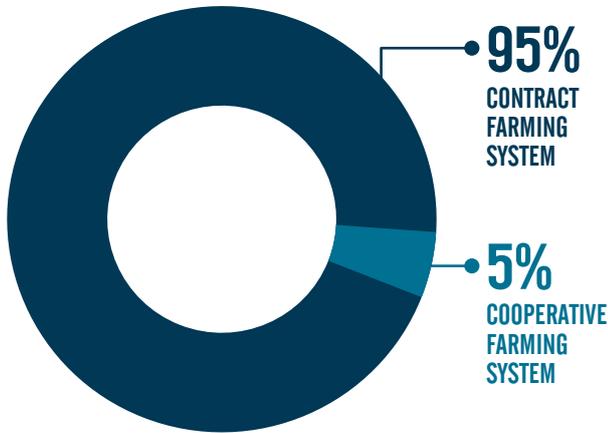
Furthermore, RIL also source shippers' suppliers which uses paper fibre which have been certified by the Forest Stewardship Council™ (FSC™). Since 2020, 90% of all papers used in RIL are certified by FSC™.

## LOCAL FARMING CAPABILITIES BUILDING BY BJF

Through Berli Jucker Food Co., Ltd. (BJF) commitment to produce superior quality products over the past 30 years, BJF strongly believe that quality control procedures starts from the beginning. For this reason, to constantly secure high quality key raw materials, central to BJF's operations, BJF continuously develop and implement new management approach to ensure product quality.

BJF divided its raw material sourcing into two key sources, contract farming and cooperative farming societies per the following ratio.

# PROPORTION OF RAW MATERIALS SOURCE



## CONTRACT FARMING SYSTEM

The Contracted Farming System, covers 95% of all raw materials sourced by BJF. The system forms contracts with selected approved suppliers of key raw materials, essential to the production of BJF’s products, including potato, and sweet potato, ensuring that BJF have access to high quality raw materials to produce high quality products, in any market conditions.

On the other hand, contracted farmers are guarantee a competitive price for their products at a higher price offered by Government sector. Farmers are also provided with knowledge training and resources to improve their farming capabilities, through the employment of 26 agronomist to continuously share and train techniques about potatoes farming to contracted farmers, elevating the quality of products to meet relevant production and sustainable standards.

Contracted farmers are located across 7 provinces in northern Thailand, with 10 purchased center with BJF. BJF purchase products from 1,000 - 1,100 farmers annually, whom control approximately 4 acre of land each.

## COOPERATIVE FARMING SYSTEM

The remaining 5% are sourced from Cooperative Farming Societies, where BJF also provide expert knowledgeable personal to monitor product quality at point of contact, elevating product quality, to meet relevant production and sustainable standards.

BJF also demonstrate farming practices through the Farm Mechanization, emphasizing on potatoes farming through the use of large modernized machineries, acting as a learning center to share and apply research to farming across 41 acre. In addition to supporting farmers to register farming practices in accordance with the Good Agricultural Practice (GAP) of the Department of Agriculture for the third consecutive years. It is expected that by 2021, 11,000 to 13,000 tons will be registered with GAP. The GAP system provide farmers with an accurate data collection of farming practice and chemical use, protecting farmers and surrounding environment. Registered farms are also monitored and audited by the Department of Agriculture personal to ensure accurate compliance, fostering good relationship between the two entities.

These efforts to elevate the capabilities of potatoes farmers resulted in an average income of 37,000 to 50,000 Baht per acre.



# HUMAN RIGHT



The United Nations (UN), defined Human Rights as the “rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status”. Human rights are principles and standards which define certain aspects of human behavior which are commonly protected by national and international law, protecting and ensuring that an individual have the right, liberty, and freedom from slavery and torture, freedom of opinion and expression, the right to work and education, without discrimination. For the past decade, tremendous progress have been made to provide an equal and inclusive human rights protection for all, however, the outbreak of the COVID-19 pandemic in 2020, has hindered these progress, as companies relocate attention and resources towards COVID-19 restriction and control initiatives, such as lockdowns, restrict movement into certain areas, and mandating the use of protective gears. However, these protection measures have unintentionally caused human rights violations for certain groups (especially those of vulnerable groups), impacting the freedom and security of society.

BJC have consistently acknowledged the importance of human rights, evident from the integration of human rights under the ‘Inclusion and Diversity’ section of the WINNING Corporate Culture. As such, BJC have constantly striving to uphold human rights best practice in accordance with applicable domestic and international standards, to equally protect the rights of all employees regardless of their individual characteristics, fostering a safe, inclusive and diverse working environment for employees to flourish. An absence of appropriate human rights practice may result in financial and reputational damage for BJC, increase employee conflicts and turnover rate hindering a sustainable growth.

Beyond the integration of human rights into the ‘WINNING’ corporate culture, which encourages employees to *‘respect and treat people fairly based on their uniqueness while feeling a sense of group membership to maximize results and performance achievement’*. BJC strictly adhere to human rights principles, requirements and expectations of national and international human rights standards, such as The United Nations Universal Declaration of Human Rights (UDHR), The United Nations Guiding Principles on Business and Human Rights (UNGPs), The International Labor Organization (ILO), Declaration of Fundamental Principles and Right at Work, as well as Thailand’s Labor Protection Act. These standards are applied through BJC corporate-wide **Human Right Policy** and human right due diligence process which are applicable to all relevant employees, suppliers/business partners and customers, improving awareness, knowledge and understanding of human rights practices for all employees and stakeholder.

Furthermore, under the ‘Happy Workplace’ corporate value, BJC encourages employees to treat people with fairness, trust and respect, valuing the differences of individuals, regardless of age, race, gender, sexual orientation, and skin color, country of origin, physical disability, and marital status, creating and empowering individuals to develop talent and maximize employee potential. This aims to advocate employees’ diversity, throughout the value chain, protecting the rights of both individual employees and surrounding communities, promoting community rights, local traditions, and societal equality.

# HUMAN RIGHTS DUE DILIGENCE PROCESS (HRDD)

To monitor and review human rights performance throughout BJC, the corporate Human Rights Due Diligence Process, was established in 2019, conducted in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs). The assessment is conducted once every three years by Human Resource Department, systematically evaluates potential human rights related risks associated with BJC business activities, throughout the value chain, as follow.



## 1. POLICY COMMITMENT

BJC places great importance on upholding best human rights practice throughout the value chain, expecting all employees and relevant business partners, of all levels including, executives, suppliers, joint ventures and other stakeholders to comply with all applicable human rights laws regulations and standards, along with international standards to assure that all stakeholders are equally respected and protected as stated in BJC’s Group-wide Human Rights Policy.

- |   |   |
|---|---|
| <p><b>1</b> Prohibiting the exploitation of human trafficking, forced labor and child labor</p>   | <p><b>6</b> Placing priority on all consumers to have an equal level of service</p>   |
| <p><b>2</b> Promoting freedom of associations, respecting individual’s right to join or leave labor union or other organizations voluntarily, including the rights to take collective actions for employees’ benefits</p> | <p><b>7</b> Communicating the practice of human rights to all stakeholders</p>  |
| <p><b>3</b> Having a fair and transparent recruitment processes, with no discrimination against all employee and providing all employees with equal career opportunities and remuneration</p>                             | <p><b>8</b> Providing knowledge and support for employees, suppliers to strictly respect the Human Rights of all stakeholders in their businesses</p> |
| <p><b>4</b> Respecting different ages, physical disabilities, ethnicity, gender, sexual identity, skin color, country of origin and marital status without discrimination</p>   | <p><b>9</b> Developing and review human rights due diligence process in order to effectively identify and minimize human rights issues</p>            |
| <p><b>5</b> Conducting responsible business with community, society and the environment</p>   |   |

Furthermore, BJC established the corporate-wide **Diversity and Inclusion Management Policy**, emphasizing and promoting the importance of individual diversity throughout BJC. The Policy is publicly available on the corporate website at sustainability website, providing all employees and subsidiaries with a clear guideline to respect individual differences, while promoting the development of talented and good employees equally in a non-discriminating manner, promoting the expression of diverse and creative ideas in order to uphold working procedure and sustainable growth.

## LABOR UNION RELATION

BJC has established various channels for employees to voice their concerns, complaints and suggestions to BJC, including hotline and meetings. In addition, to foster good relationship between BJC and employees, promoting employee’s freedom of associations, BJC is open for employees to form and participate in a labor union.

At present, there are a total of four labor unions across four factories, and members of welfare committee participated by a total of 1,393 employees or 3.82% of the total number of employees in BJC Group. BJC is committed to work in collaboration with these labor unions to promote open negotiation, with employees to promote good health, and welfare for all.

BJC is committed to complying with good labor practice management standard, as required by applicable law and regulations, as well as taking steps to control, and improve employment and working conditions in accordance with labor management requirements and standards. This includes controlling, monitoring and encouraging supplier, subcontractors to follow good human rights practices and guidelines in accordance with the same standards as BJC’s operation.

## BJC OPERATIONS WITH LABOR UNIONS

1. Berli Jucker Foods Labor Union
2. The Glass Union of Thailand
3. Rubia Thailand Labor Union
4. Fasai Labor Union

## 2. HUMAN RIGHT RISK ASSESSMENT: IDENTIFICATION OF SCOPE AND RELATED HUMAN RIGHTS

Since 2019, the assessment process, evaluates potential human rights related risk throughout BJC’s value chain with the following procedures;

- Identify the scope and relevant human rights issues, which are salient to operations.

RISK SCOPE	LABOR RIGHTS	PARTICIPATION AND ETHNICS OF SUPPLIERS	CONSUMER RIGHTS	COMMUNITY RIGHTS
Related human rights issues	Compliance with labor laws (work hours, remuneration, etc.)	Employee hygiene and safety	Customer hygiene and safety	Community hygiene and safety
	Employee hygiene and safety	Child labor	Discrimination to customer	Quality of community life
	Child labor	Discrimination	Personal information security	The use of natural resources in the local
	Human trafficking	Human trafficking		
	Discrimination	Safety of employees of suppliers		
	Freedom to join labor union			
	Forced and migrant workers			

- Identify internal and external stakeholders such as employees, women, children, indigenous people, migrant workers, third-party contracted labors, local communities and others (such as pregnant women and elderly) at risk of human rights violations through BJC's business activities.

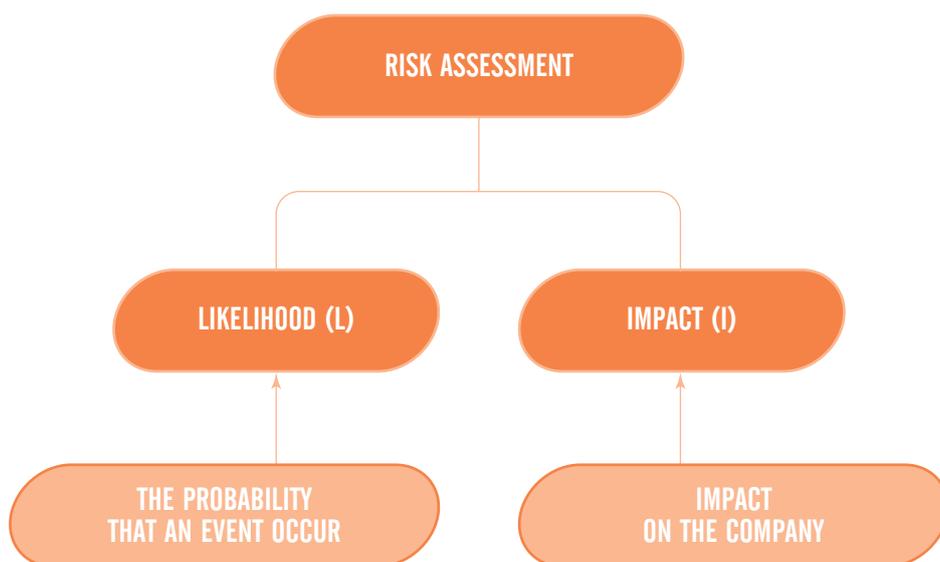
To ensure a comprehensive and inclusive human rights related risk assessment of potential violations from BJC's operations, human rights risk assessments are divided into three groups;

**Supplier (Outsource & Tier1 suppliers):** Assessed by the procurement and merchandise department.

**Own Operation:** All employees of each business unit has been assessed by the Human Resource department (HR). Besides, customer and community are assessed by the relevant departments.

**Joint Ventures (JV):** Perform self-assessment.

## THE HUMAN RIGHTS RISK ASSESSMENT, EVALUATES RISK BASED ON TWO KEY CRITERIA, LIKELIHOOD AND IMPACT



### IMPACT AND LIKELIHOOD

The assessment evaluates the impact on operations, and the likelihood of the human rights issue to occur in the current operations, categorizing risk issues into the four risk levels (very high, high, medium and low) to appropriately manage accordingly.

LEVEL	CRITERIA FOR ASSESSING THE PROBABILITY OF OCCURRENCE
1	<ul style="list-style-type: none"> <li>✓ The company has strong control or protection. There is very little chance of a problem                             <ul style="list-style-type: none"> <li>• Have small chance to occur within a year or less than 5%</li> <li>• In the past, almost no events occurred/may not occur again</li> </ul> </li> </ul>
2	<ul style="list-style-type: none"> <li>✓ The company has some control or protection but there is still a chance of a problem will occur                             <ul style="list-style-type: none"> <li>• Have a 5 - 10% chance of occurring within a year</li> <li>• There are occasional occurrences</li> </ul> </li> </ul>
3	<ul style="list-style-type: none"> <li>✓ The company has no control or protection at all or very few, but never had a problem                             <ul style="list-style-type: none"> <li>• Have a 10 - 20% chance of occurring within a year</li> <li>• There are chances of occurring many times</li> </ul> </li> </ul>
4	<ul style="list-style-type: none"> <li>✓ Used to have a problem or have a complaint or very likely to cause problems                             <ul style="list-style-type: none"> <li>• Have more than 20% chance of occurring within a year</li> <li>• Very likely to occur</li> </ul> </li> </ul>

RISK LEVEL	LOW	MEDIUM	HIGH	VERY HIGH
RISK SCORE	1, 2, 3	4, 6	8, 9	12, 16
Notice	No risk or very low risk	Risk but not significant	Significant risk	Very significant risk
Definition	Acceptable risk	Acceptable risk	Higher than acceptable risk Must prepare a risk management plan within an appropriate period	Higher than acceptable risk Must prepare a risk management plan immediately

### 3. INTEGRATION AND MITIGATION PLAN

BJC conduct Human rights assessment every three years. For this reason, assessment results in 2020 are the result of assessments conducted in 2019, which four potential violation of human rights as follow.

**1. Surrounding Communities:** Production based activities in factories generates noise, emissions and discharge treated waste, which may affect or disrupt the well-being of people in surrounding community. To mitigate this, BJC routinely conduct inspections to improve production processes to minimize impacts to communities. In addition to providing complaint channels for community voice their concerns, foster good relationships with surrounding communities.

**2. Employee Privacy:** Employees are not well informed the official human rights complaint channels and the process of protecting complainants. As a result, employees do not have confidence in raising a complaint. To manage this, BJC improved communication regarding the process and security of complaint channels to increase the confidence of employees and complainants that the complaints channels are secure and managed effectively by relevant unbiased department.

**3. Occupational Health and Safety for employees and outsources:** Some employees and outsources are not aware and informed about BJC’s occupational health and safety practice. Employee, subcontractors and third party service providers faces safety violations in the work environment, resulting in accidents in stores and factories. To remedy this, BJC developed strict safety guidelines, Standard Operation Procedures (SOPs) and conduct safety training to provide employees, subcontractors and third party service providers with safety knowledge to increase awareness of appropriate safety practices. In addition to regular review of safety signs and identification of root cause to accidents when they occurred, to prevent future reoccurrence.

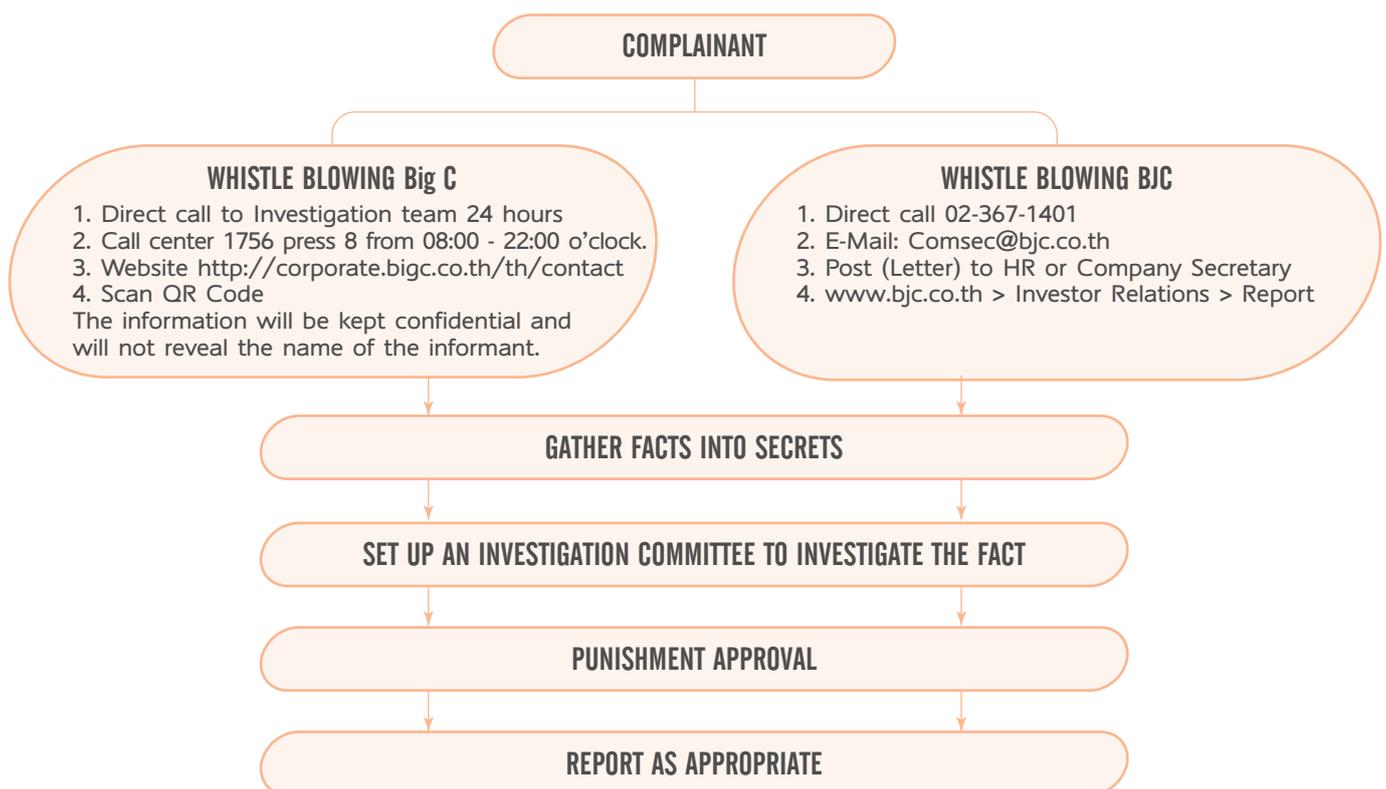
**4. Cyber Risk:** As popularity and demand for digitization continue to grow, the risk of cybersecurity and attacks which may affect the security of personal information of employees are inevitable. To mitigate this, BJC implement strict cyber security and information policies, upgrade software securities and conduct training to protect data leakage. Additionally, Disaster Recovery Plan (DRP), Vulnerability Assessment (VA) testing are performed regularly to ensure the readiness and effectiveness of systems in preventing external attacks.

### SALIENT ISSUES FROM CONTRACTOR AND TIER 1 SUPPLIER

Human rights risk assessment conducted in 2019, found that contractors and tier 1 suppliers are at risk of violating the right to a safe and healthy working condition, as a result of shortage of appropriate safety equipment, such as appropriate Personal Protective Equipment (PPE), poor maintenance and cleanliness in work environment. Resulting in employee injury risks. To remediate this, BJC established the supplier code of conduct, providing all suppliers with a clear guideline to BJC’s expectations.

## 4. MONITORING AND COMMUNICATION

BJC implemented the corporate wide procedure to monitor human rights risks throughout the value chain. The procedure provide a clear process of managing human right complaints from start to finish as follow.

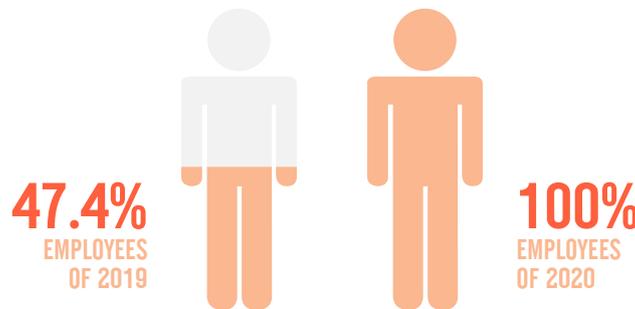


## 5. REMEDIATION AND GRIEVANCE MECHANISM

As a consequence of BJC's effective human rights management procedures throughout business operation, in 2020, there were no significant violations of human rights\* throughout the value chain. For this reason, there were no remediation implemented in 2020. However, BJC recognizes that business operations can unintentionally cause human rights violations, therefore, BJC remains vigilant and committed to continuously develop a comprehensive human risk assessment with effective mitigate risk plan in order to identify potential risk in operation, as well as remediate guidelines to minimize human right impact on business.

To better foster human rights awareness among employees, the Human Resource Department has integrated human rights as one of the key compulsory training for all employees. The training covers human right policy, business code of conduct, remediation plan and grievance channels.

### PERCENT OF STAKEHOLDERS TRAINED ON HUMAN RIGHTS



## PROJECTS

### HUMAN RIGHTS TRAINING FOR EMPLOYEES

In order to raise human rights' awareness and equally respect to all level of staff in the organization, BJC has set up human right training for all employees. As a consequence of the outbreak of the COVID-19 pandemic, human rights training sessions are conducted through online platform via the AMPOS application. In 2020, 100% of BJC employees completed the training session. The detail of human right session covers requirement as below detail:

- The UN Guiding Principles on Business and Human Rights (UNGPR) which are Protect, Respect and Remedy framework
- Human right policy and Supplier code of conduct
- Guidelines for human rights violations in organization through Human Rights Due Diligence Process (HRDD)
- Whistle Blowing for human right complaint
- A framework for business practices in accordance with the human rights principle to all stakeholders

Furthermore, post-test are provided to evaluate the effectiveness of the training session. The post-test also include an opportunity for employees to provide additional suggestions for future session improvements. To ensure corporate wide awareness and understanding against violations against human rights, BJC is committed to continuously improve the knowledge and understanding of employees in the human right to be more effective.

\* Significant violations of human rights include violations against human rights which are clear violations of applicable laws, and regulations of BJC Group. This also include violation of international human rights regulations and related agreements.

## “CAREER PROMOTION FOR DISABILITIES GROUPS” INITIATIVE

BJC is actively promoting equal opportunity for all individuals regardless of individual characteristics, focusing on job capabilities and organizational fit. As such, BJC do not restrict employment of individuals with physical or mental disabilities. Big C have been employ individual of such groups since 2017 as full-time employees. As such all individuals receive appropriate and fair compensation, comparable to all other employees. In 2020, Big C hired 288 individuals with disabilities, with support for knowledge and career advancement. The majority of which are employed as cashier, product inspectors, accounting and finance based jobs. Big C strives to continue providing equal opportunities for employment.



## “BIG BROTHER, HIGH POWER” PROJECT



BJC recognize that as Thai society transition into an aging society, it will become more challenging to hire employees in the near future. In addition, BJC acknowledges the number of elderly population, whom remain active and are capable of working in their retirement years. As such, to address the perceived issue of capable employee shortage and capable elderly population, Big C developed the ‘Big Brother, High Power’ Project in 2017, with the aim to provide financial assistance for the elderly and to reduce skilled labor shortage in the organization by capable elderly individuals. In 2020, Big C employed 64 senior employees who are 60 years and older, 54 employees who are 60 - 65 years, 8 employees who are 66 - 69 years, and 2 employees who are 70 years and older. Thai Malaya Co., Ltd. (TMG) hires 8 employees’ age 55 - 60 and 1 employees over 60 years. Berli Jucker Cellox Company Limited (CPC) also hires 5 retired employees over the age of 60 years from 747 employees. Elderly individuals are employed as administrative staff, customer receptionist and operation staff, all are treated fairly, and respected as full-time employees, thus receives equal compensation. This provides an additional source of income for elderly individuals, alleviating living cost during economic uncertainty, impacted from COVID-19.

# TECHNOLOGY INNOVATION AND RESEARCH & DEVELOPMENT



As technological innovation become an essential part of day-to-day business operations, many companies are accelerating their adaptation of new technologies, in response to changing market trends and customers behavior. This change accelerated as technologies and innovation become more accessible to consumers as global economy continue to develop. In 2020, technologies adaptation is especially visible, as the global outbreak of the coronavirus pandemic (COVID-19) continue to impact traditional operations. As such, customer have dramatically transitioned toward the use of new technologies, such as digital channels, to protect themselves from the COVID-19, while meeting their needs, as cited in a research by McKinsey & Company\*.

To response to these increase integration of new technology and innovations, many companies have increase investment into an effective **technology, innovation and Research & development** to develop and implemented various business approach to internal and external operations, to meet customer expectations, paralleled to COVID-19 best practices, such as, increase remote working initiatives, increase and improve online channels for customers, and improve internal technology integration. Doing so allow companies to capitalize on new technologies and innovation development, generating new business opportunities, minimize operational costs, and reduce business risks through unwavering development of technology and innovation.

BJC recognize the benefit of an effective technology, innovation and Research & development and strives to implement a corporate technological strategy, research and development process to continuously improve products and services quality. A lack of proficient technology and innovation may result in a lack of business development to meet modern customer expectations, resulting in loss of customers, sales and competitive advantage.

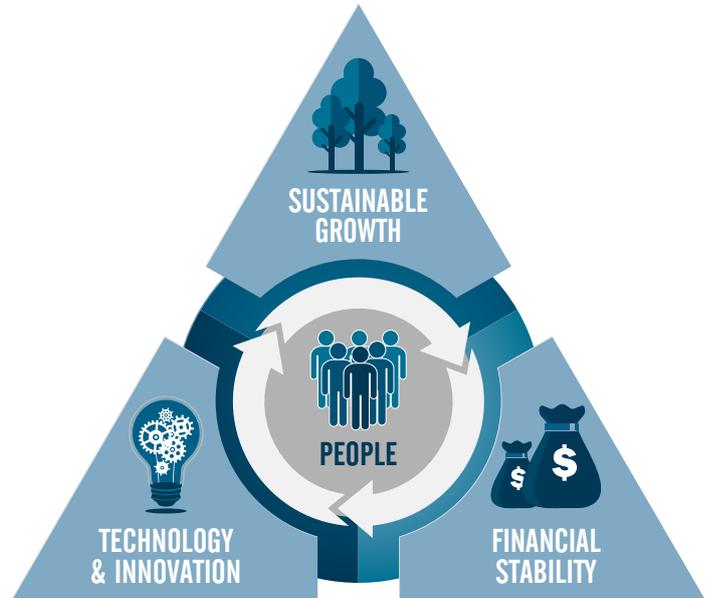
To meet the increasingly complexed customer expectations, BJC continuously develops new products and services through the use of new technologies and innovation. To achieve this, BJC is guided by the corporate wide **Corporate Technical Strategy**, practiced by all employees. The Corporate Technical Strategy fosters the development of an innovative culture throughout BJC through the establishment of the Innovation and technology center, encouraging BJC to continuously develop innovative projects. These innovative projects development not only benefit BJC through new product and process development, but also benefit society and the environment, since BJC's new innovation product development process includes Environmental, Social and Governance (ESG) considerations, resulting in a more eco-friendly production process and products. All of these systematic innovative development results in a more knowledgeable, and capable operation, to advance into the technological error ahead.

McKinsey & Company stated that in 2020. The global average of customers interaction that are digitized have accelerated by 58% in July 2020, an increase from 36% in December 2019. This increase in digitization is also evident amongst companies, where the global average shares of products and/or services that are partially or fully digitalized has increased from 35% in December 2019 to 55% in July 2020.

Link: <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever>

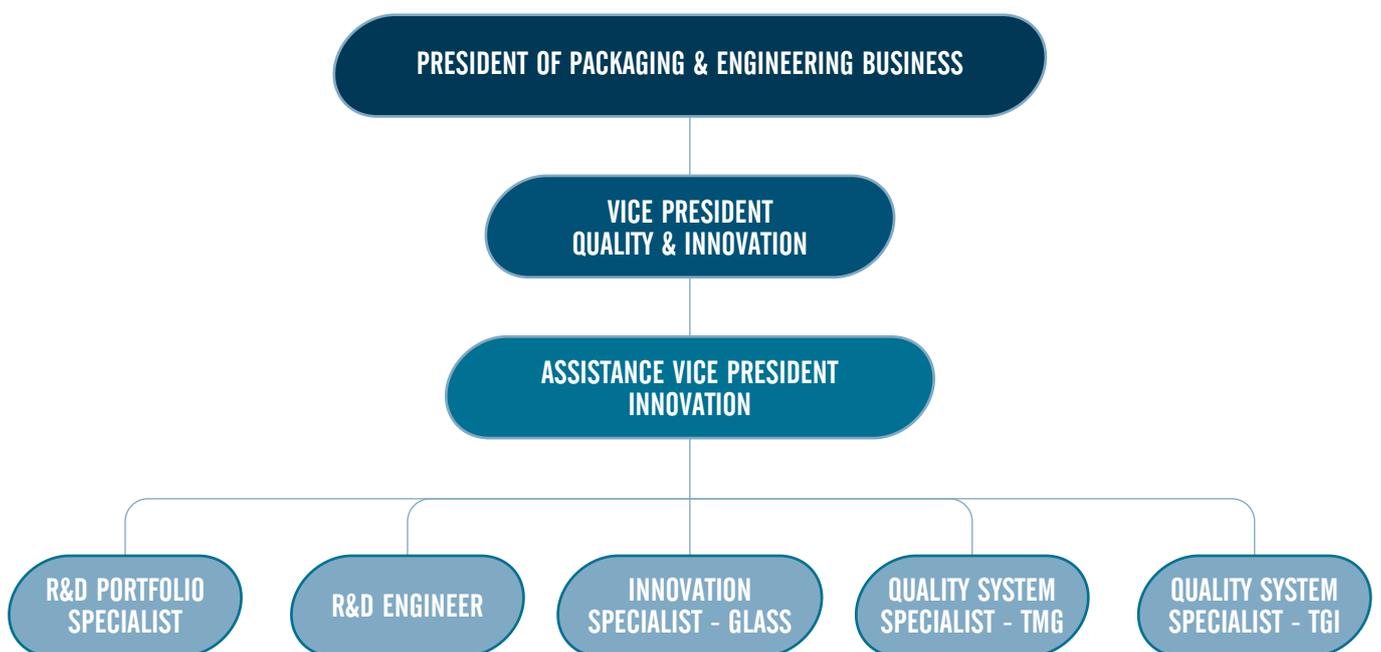
# 1. INNOVATION INTEGRATION IN BJC'S STRATEGY

BJC emphasize the application of technology and innovation in products and services development, evident by the integration of Technology and Innovation one of the key vision and mission of BJC corporate strategy in 2020. The strategy focuses on implementation of innovative projects, digital transformation, data analytics, online platform and automatic tools through the innovation management in business unit or business group among available resources and budgets with emphasis on the packaging and engineering business. The responsible team for implement innovative project is representative in Research and Development department from each facility. This strategy aims to encourage business's competitiveness and to accommodate the fast-changing, uncertain and complex competitive environment together with human resource management and financial stabilization to serve personalized customers' expectation, including the amount of time spent on non-essential task, limiting human error, and operating cost in the production process.



The strategy also creates awareness of the rapid change in technology and business resilience based on data driven culture in order to achieve sustainable business growth to all stakeholders during this crisis.

# 2. BJC INNOVATION WORKING GROUP



BJC has established a technology and innovation working group that called “**BJC group Innovation Network**” under the leadership of the Vice President of the quality and innovation in packaging and engineering business. The group was established in 2016 to conduct research on the innovation for the glass business operation. The group eventually expanded to become BJC innovation and technology center, which consists of research and development engineers from BJC group, i.e. Berli Jucker Cellox Co.,Ltd., Big C Supercenter, Thai-Scandic Steel Co.,Ltd, Thai Glass Industries Public Co., Ltd., and Thai Malaya Glass Co.,Ltd. The group structure is comprised of 3 areas: (1) Project portfolio management; R&D portfolio specialist (2) Project execution team; R&D engineers and innovation specialist and (3) Product and process change management; quality system specialist. The group’s primary objective is to examine sciences and engineering behind processes of each business. Through the understanding of process fundamentals, the implementation of upcoming technologies to existing processes has stimulated both products and process innovations throughout the value chain, while also reducing negative impacts to surrounding societies and environment. The group conduct annual meeting to gather information and communicate initiative ideas across the organization to strengthen operational efficiency and effectiveness in business operations as well as to increase the opportunity to expand BJC’s businesses. As a result, additional technical skills, which is useful for product and process development will be provided to the relevant parties for further development.



### 3. INNOVATION NETWORK



Innovation is the creation, development and implementation of a new product, process or service, with the aim of improving efficiency, effectiveness or competitive advantage, enabling the continued development and creation of new business opportunities. To foster the development of innovation, BJC has continuously supported the creation of new innovations activities to encourage business unit both inside and outside BJC for improving efficiency of working processes. Regarding internal encouragement, innovation working group implements online platform to support employee’s creativity and share best practice. This platform also foster an atmosphere for product and service development, including working procedures to achieve working efficiency. For external parties, coordination with leading telephone network companies to disseminate knowledge in technological advancement in business management, leading to employees for a better understanding of development in operation by integration in technology.

# INNOVATIVE STRATEGIES IN 2021

BJC recognizes the importance of technological transformation in enhancing knowledge and competencies, in addition to inspiring and motivating employees to improve their knowledge and performances. Thus, BJC focuses on establishing strategies in order to drive innovative ideas and support talented professional through two key approach

1. Increasing company competitiveness by applying technological innovation to improve product quality through implementing automated equipment for automatically process measurement, reducing operating cost and energy consumption. Moreover, development of product functionality by introducing new innovation that decreased in time consumption for staff and related parties with better quality and productivity
2. Acquiring necessary innovation, in accordance with project plan to build innovative culture with following plan;
  - Foster knowledge preservation and management by launching innovative news within BJC via online or social media platform
  - Sharing technology innovation knowledge via [innovation.bjc.co.th](http://innovation.bjc.co.th)
  - Building up culture for promoting innovation by establishing young engineering innovation competition on automation and bottle design
  - Development Research and Development (R&D) workforce strategy through many programs with internal and external organization such as long term student internship in six month to one year program , matching fund with Thai government or universities, In-house training about innovation idea and partnership with other companies to promote innovative projects

## BJC Big C INTELLIGENCE NETWORK

As severe competition in business and changing consumer behavior continue to changes, BJC Big C established the Intelligence Network (B2IN) to maintain competitiveness in the new market environment. The network, established by the Innovation working group in 2020, is a platform for all employees to share knowledge and innovative ideas with the potential to be developed into new processes, products or services, to meet customer expectations and demands. Shared knowledge and innovation ideas are communicated across the organization through the network, creating an open source innovation format. Applicants fill personal information, innovative idea, status of innovation and budget to implement the project into the platform for discussion. The platform fosters employees' creativity to build initiative projects and to enhance competitiveness by learning and addressing the needs of customers in line with the value chain process. Innovation will facilitate market competitiveness and enhance profitability.

The network would then focus on the innovation process, transforming valid innovative ideas into applicable innovations to be showcase on the [innovation.bjc.co.th](http://innovation.bjc.co.th) website. Through the established B2IN, BJC ensures a rapid and sustainable innovation source for future development. In 2020, innovative ideas submitted are under assessment and reviews, which BJC aims to implement by 2023.

In addition, BJC has organized “The Next Ideas Challenge” project to increase working efficiently and reduce unnecessary expenses in operational process. There were more than 100 ideas submitted through google form by selecting the last 13 innovative ideas in final competition. The final competition will be presented through zoom application to meet the objectives of creating new ideas in new normal era.



To encourage more technological innovation with external party, BJC signed a Memorandum of Understanding (MOU) with Nakhon Phanom University (NPU) since 2016 to promote technological development via bilateral programs, constructed by both BJC and NPU with diploma level students. These students were in electrical, electronic, industrial mechanic as well as retail programs as BJC regularly realized the importance of the shortage of qualified workers in line with the needs of business sector. In addition, the scholarships are provided for students with access to practical skills training with BJC. These students who have graduated will have an opportunity to work with BJC in Thailand, Socialist Republic of Vietnam and Cambodia.



## HIGHLIGHT PROJECTS

At present, resilience in technology is improving efficiency in operation processes, BJC has developed innovation and technology projects that encourage better management of goods and services in 3 supply chain management as follows:

### PACKAGING BUSINESS

#### DUCT AIRFLOW MULTIPLIER AT THAI GLASS INDUSTRIES (TGI)



Management of airflow is very important in glass bottle industry as air is used in many processes in production such as furnace cooling system and bottle molding with appropriate level of air volume and air temperature. In terms of air volume, air pumps are used to generate the required air volume with the control of computer system. For large factories that require a lot of air pumps need to be installed, resulting in high costs of production. TGI has invented duct airflow multiplier to expand air for air ducts processes such as heating, ventilation, air-conditioning (HVAC) and exhaust system with high heat. The benefits of device is to increase the air volume and to protect the air supply equipment with high temperatures. In addition, the device saves cost at least 200,000 baht less than installing high temperature resistance blowers.

#### ONLINE COLOR MEASUREMENT AT THAI GLASS INDUSTRIES (TGI)



TGI has developed online glass color measurement system to improve the process of examining the optical properties of glass containers by real-time checking in production line, preventing accidents in the process of cutting glass and reducing limitations in the color quality inspection by spectrophotometer. In working processes, triad spectroscopy sensor was used in conjunction with the light source. The signal readings from the sensor cover the wave length of the light needed to read the color. This system is also calibrated with spectrophotometer to receive the most accurate measurement. The early warning system on product color defect could help avoiding unnecessary cost approximately 7.8 million baht in 2020

## CONSUMER BUSINESS

### THE INSTALLATION OF SCREW CAPPING MACHINE AT RUBIA INDUSTRIES (RIL)

In April 2020, Rubia Industries (RIL) has installed the capping machine at the cosmetics department to solve problems at the bottleneck point (turning the pump cap) which contributes to the safety of employees by reducing the injury problem from the bottleneck rotation. The installation of this machine could reduce the labor use by 14 man hours per shift per production line or 1.5 million baht per year. RIL is committed to developing equipment to increase productivity efficiently and safely.



### DIGITAL PRICE TAGS AND ADVERTISEMENT AT MINI Big C (MBC)

Big C has created digital price tags and advertisement to reduce paper use for printing and changing price tags and advertisements. This digital price tag also eliminate human errors in operation processes. At present, the first digital advertisement has been installed at Chan Road branch which was found to reduce paper costs about 10,000 baht per year and shorten working hours approximately 15,000 baht per year. Due to the results, Big C is determined to expand digital price tags to other branches in the future



## TRANSPORT MANAGEMENT SYSTEM (TMS) AT BJC MOVE

BJC Move Company Limited continuously strives to minimize negative impact to societies and the environment from the logistic operations. To increase logistical efficiency, BJC Move implemented the Transportation Planning System in October 2020. The system is used in over 1,200 Mini Big C stores, enabling the identification and creation of the most efficient route to take, significantly minimizing wasted energy and transportation cost. Since the system was first used, BJC Move have reduced transportation cost by 1.38% from its operations.

The system improves the accuracy of real-time delivery tracking, allowing for a more on time logistical service than traditional manual approach. This accuracy is achieved through the following systems.

- Route planning
- Assigned work order
- GPS Tracking
- Transport Status
- Truck Maintenance
- Integration with logistic companies
- BI Dashboards & Reporting
- Providing multi language

Through the success in 2020, BJC is strives to continuously develop the system to further increase efficiency for the logistics and transport management. This system will be continuous developed In order to increase efficiency in logistics and transport management, with the aim to expand utilization to other Big C branches and external customers within 2021.

# CLIMATE CHANGE AND ENERGY MANAGEMENT



THAI MALAYS GLASS  
BRANCH 1 (TMG2) RECEIVED  
**GREEN SYSTEM  
LEVEL 3** CERTIFICATION

THAI GLASS  
INDUSTRIES RECEIVED  
**T-VER AWARD**  
FOR SOLAR ROOF PROJECT,  
GENERATING **2,997.8 kWp**  
SOLAR ROOFTOP OF  
THAI GLASS COMPANY

THAI MALAYA  
GLASS RECEIVED  
**T-VER AWARD**  
FOR SOLAR ROOF PROJECT,  
GENERATING **998.4 kWp**  
SOLAR ROOFTOP OF  
THAI MALAYA GLASS COMPANY

Over the past few decades, the effects of climate change have never been more prominent. Accelerated by increased human activities, an unprecedented amount greenhouse gases (GHG) are emitted into the atmosphere, causing the average global temperatures to increase above preindustrial levels, an unacceptable risk level, as cited by climate scientist\*. This have resulted in a series of devastating environmental and social consequences to the planet, including severe natural disasters, weather extremes, rising sea levels, melting ice caps, bleaching coral reefs, oceans acidification and forest fires, affecting food and water security and disrupting economic development. As climate related damages to the ecosystem continue to reach irreversible levels, it is indisputable that immediate changes are required from all parties, to shift away from the business as usual approach, towards a more sustainable approach, to curb the growing effects and mounting financial costs associated with climate change.

Climate change is the repercussion of increased GHG emissions, often often from energy generation and consumption. As such, comprehensive climate assessment and energy management are needed to manage climate change and its affects. A lack of action could prove detrimental, since the effects of climate related risks creates a series of new transitional and physical business risks, increase financial cost, from investments into new technologies and innovations to manage climate related effects, and increase legal requirements, which could result in substantial financial expenses and fines if violated.

BJC acknowledge the need for a drastic action to mitigate and adapt to climate change and its ramifications, striving to minimize BJC’s carbon footprint emitted from all activities throughout the value chain, including sourcing, manufacturing, transportation and merchandizing through climate initiatives and energy management. BJC also recognize this as opportunity to contribute to the Thailand National Determine Contribution (NDC), to reduce the nation’s GHG emission by 20-25% in 2030 compared to the BAU level, as part of an effort to the Paris Agreement.

\* <https://www.un.org/en/un75/climate-crisis-race-we-can-win>

To safeguard BJC operations against the adverse effects of climate change, and limit BJC negative contribution towards climate change, the precautionary approach shall be widely applied by states according to BJC’s capabilities, through the adopting a sustainable business practice, guided by the corporate wide Climate Change Strategy, integrating environmental and social considerations into all operations. Developed by BJC Group Strategy, and approved by the Sustainable Development Committee, and oversee by the Sustainability Sub-Committee, the Climate Change Strategy is applied to all employees, encouraging strategic mitigation and adaptation to BJC’s business operates, thereby ensuring BJC’s business resilience both in current and new market environment. This is achieved through, establishing corporate-wide ambitious climate targets, assessment, budget, and responsibilities to implement The Climate Change Strategy. BJC further provided knowledge training and fostering awareness about climate change amongst employees, integrate climate change considerations into the company’s enterprise risk management program to consider risks and opportunities associated with climate change, and increase the shares of clean energy consumption within the organization to reduce GHG emissions.

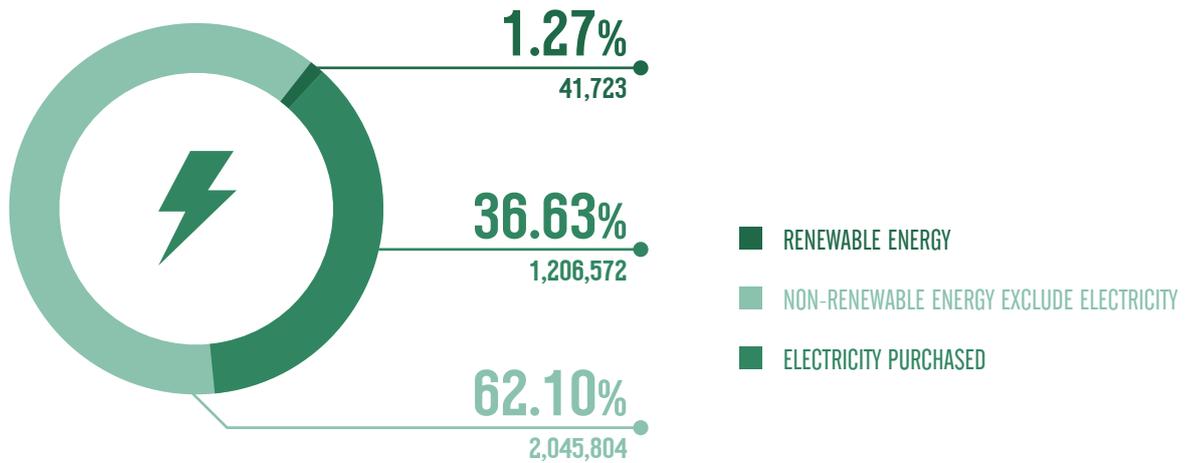
GHGs are emitted from various sources within the value chain, including manufacturing, transportation, and agricultural practices. Specifically, through energy consumption and production, these activities account for the largest source of GHG emissions within the Company. Therefore, BJC has set the following energy and GHG emission reduction targets:

## CLIMATE CHANGE INDICATORS

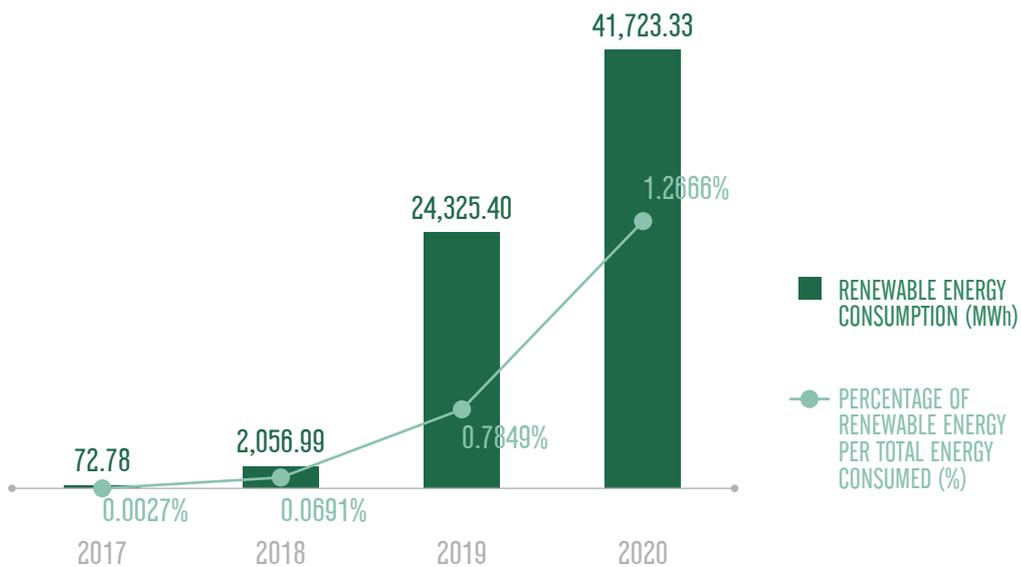
### CLIMATE CHANGE TARGETS: IN SHORT TERM

	UNIT	2017	2018	2019	2020	TARGET
Emission Scope 1	Tons CO <sub>2</sub> equivalent/ Operation	463.50	427.24	348.41	235.66	302.98
Emission Scope 2	Tons CO <sub>2</sub> equivalent /Operation	908.04	754.03	619.40	411.56	513.58
Energy	MWh/Operation	3,589.49	3,244.11	2,662.51	2,279.65	2,289.76

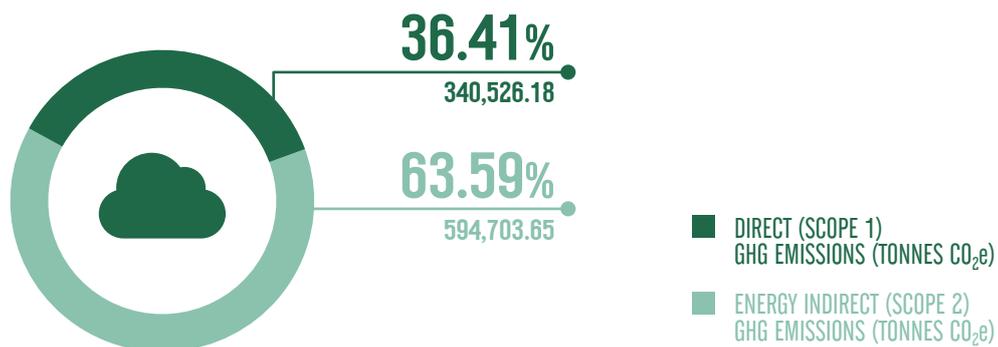
## ENERGY CONSUMPTION



## RENEWABLE ENERGY CONSUMPTION



## GHG EMISSIONS



## RESPONSE TO CLIMATE CHANGE AND GHG EMISSIONS

Striving to achieve the ambitious targets set for 2025, BJC has continuously reduced Greenhouse Gas Emissions (GHG) throughout the value chain, through the implementation of various initiatives, identifying and replacing technologies with environmentally friendly alternatives, transitioning operations away from traditional operational practices, which often contributes to climate change. Projects such as the solar roof at Big C and TGI/TMG, energy efficiency technologies, process improvements, and ecofriendly chemicals are all examples of projects BJC implemented to reduce GHG emissions, and thus climate change to meet the set target by 2025.

Under the Climate Change Strategy, and in compliance with legal requirements announced by the Ministry of Energy, BJC implement the Energy Management System, as a subset of the Environmental Management System (EMS), to manage BJC’s use of energy in accordance with the international standards ISO 14001. To achieve the set ambitious climate and energy targets, and develop climate change and energy management initiatives throughout the organization, BJC formed a management framework, oversee by the Central SHE department, to formulate initiatives and projects for each of the 3 supply chain and relevant business units as follow:

Furthermore, Big C adopted an Environmental Management System (EMS), which is a central audit process that monitors environmental conditions at each retail branches,

### “SOLAR ROOF PROJECT” BY Big C

#### MODERN RETAIL

As a continuation from 2010, the “Big C Solar Roof Project” is a collaboration between Big C and Sharp Corporation through Impact Solar Limited, under the Bilateral Cooperation Project, which aims to install solar cell panels on building roof tops to generate electricity for onsite consumption. This reduced electricity consumption from the grid, which are generated from fossil fuels, such as coal and natural gas.

This ongoing effort has been reducing BJC’s Scope 2 GHG emissions. In 2020, the project installed solar cell panels at 5 additional Big C branches, increasing the total number of branch installed to 37, equivalent to 4.22% of current energy consumption, which translated to 20,174 metric tons of CO2 equivalent GHG emissions saved per year.

YEAR	2017	2018	2019	2020
Number of Branch Installed	0	6	32	37
kWh/year of solar energy generated	0	1,295,414	23,562,703	40,355,599



**PACKAGING**

**ECOFRIENDLY TECHNOLOGIES DEVELOPMENT AT TGI AND TMG**

Thai Glass Industries PLC (TGI) and Thai Malaya Glass Co., Ltd (TMG) are registered with the Thailand Voluntary Emission Reduction Program (T-VER), committed to reduce GHG Emissions from operations through the utilization of low carbon technologies.

In 2020, both TGI and TMG registered the Solar Roof projects, expected to complete installation in 2021. The solar roofs are estimated to produce 4,012,125 kWh/year for TGI, reducing a total of 2,272 tons of CO<sub>2</sub>/year and 1,339,360 kWh for TMG, equivalent to a reduction of 660.97 tons of CO<sub>2</sub>

**AWARDS**



**THAI GLASS INDUSTRIES PLC**  
 RECEIVED T-VER AWARD FOR THE SOLAR ROOF  
 PROJECT, GENERATING **2,997.8 kWp**  
 SOLAR ROOFTOP OF  
 THAI GLASS COMPANY LIMITED

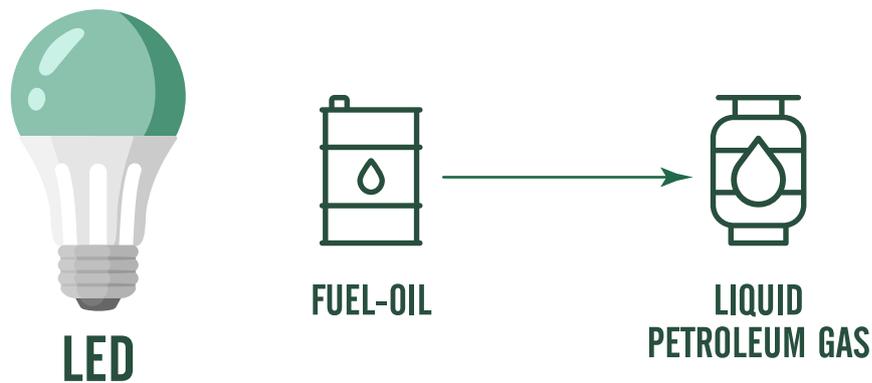


**THAI MALAYA GLASS**  
 RECEIVED T-VER AWARD FOR SOLAR ROOF  
 PROJECT, GENERATING **998.4 kWp**  
 SOLAR ROOFTOP OF  
 THAI MALAYA GLASS COMPANY

## ENERGY EFFICIENCY EQUIPMENT PROJECT AND SYSTEMS IMPROVEMENT PROJECTS

BJC continued to replace equipment's and fixtures in various factories and surrounding premises with energy efficiency technologies. These replacements includes LED lighting in production lines, business premises and open spaces. Since replacements were done in 2020, no energy saving performance is yet available. BJC will continue to monitor energy saving and expects that performance should be available in the follow years.

Rubia Industries Ltd. replace the fuel in its boilers from fuel-oil to liquid petroleum gas, improving heating system efficiency by 2%, in addition to reducing GHG by 92.26 tons of CO<sub>2</sub> equivalent in 2020.



## CLIMATE PROTECTION AND ENERGY EFFICIENCY AWARENESS TRAINING

BJC continue to foster a sustainable culture throughout the organization, aiming to elevate all employee's knowledge and awareness about climate change and energy efficiency. This is conducted through the climate protection and energy efficiency awareness training organized regularly through various channels such as in-person sessions, events and online.

### RUBIA INDUSTRIES LTD.,



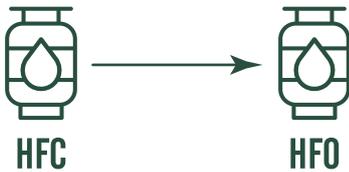
Held knowledge sharing session for employees about the measures to reduce energy where possible throughout the production facilities, such as turning off lights at certain times, setting air conditioning at an optimal temperature, establishing default sleep mode and implement check and repair scheme for leakages, this increases employee awareness to the importance of energy saving.

# PROCESS IMPROVEMENTS

To reduce the GHG emissions and increase energy efficiency throughout operations, BJC continue to improve internal processes and identify replacements of raw materials, to be more environmentally friendly, such as the New Pallet Badge Project at TGI and TMG, which compresses pallets raw materials into pallets, allowing the raw material to melt at a faster rate, at 4.98% resulting in lowered energy consumption, enabling TGI and TMG to save 27 and 26 tons of CO<sub>2</sub> per year in 2020, respectively.

## MODERN RETAIL

### ECO-FRIENDLY CHEMICALS



Big C replaces refrigerants chemicals from 223 out of 1,370 Big C stores in all formats, replacing the harmful HFC (R404a), which has a higher global warming potential (GWP) at 3,920 with the greener alternative HFO (R449a), which has a GWP of 1,397. This resulted in a reduction of GHG gas emissions from refrigerants by 62% in 2020.

## CONSUMER

Rubia LPC Plant replaced refrigerant from R22 to R134a

Replace fire extinguisher over 5 years from BF2000 which has HCFCs with Pure Plus which is certified with green label, assured by manufacturer to be environmentally friendly.

Establish 'stream trap' inspection to increase steam efficiency and energy efficiency allowing for easier maintenance when found, reducing use of LPG fuels In 2020, result in GHG reduction 357.8 tons of CO<sub>2</sub> in 2020, against 2019 performance.

Upgrade air compressor to be automatic VSD system, reduce electricity consumption by 56,923.20 kWh per month or 38,592 kWh per year.

Setting sensor to monitor water in cooling tower, using temperature as an indicator to automatically activate cooling turbine, reducing the need to always have the turbine on. Result in reduction of 9,656 kWh per year.

Reduce energy from soap boiling process, by finding soap chip to replace internal soap boiling, in 2020 reduced internal soap boiling of 570 tons, reducing LPG consumption by 30,124.5 kg per year, equivalent to 34.17 tons of CO<sub>2</sub>.



## SYSTEMS IMPROVEMENTS

Improved Systems Standards of Mini Big C thought the use of technology to reduce energy consumption. These improvements include **Condensing Unit or CDU**, which have microchannel type condenser coil, **using** digital scroll type compressor, using electronic expansion valve and using **Hydrofluoroolefin or HFO refrigerants** which have zero Ozone Depletion Potential (ODP) and offers a more environmentally friendly alternative.

## HIGHLIGHT

### MINI Big C SHOWCASE STORE



ON 11<sup>th</sup> AUGUST 2020, BJC COLLABORATED WITH RAJAMANGALA UNIVERSITY OF TECHNOLOGY KRUNGTHEP, TO ESTABLISH THE SHOWCASE MINI BIG C STORE

The store showcase environmentally-friendly technology integration into Big C operations, significantly reducing GHG emissions, in addition to serving as an entrepreneurial platform for university students to experience professional working experience, through internships, allowing for the application of learned theories into a real working environment, gaining valuable real world experience for future careers, all while serving and meeting the customized needs of surrounding communities.

The store applies a close-loop service approach, applied through various technologies to reduce negative environmental impacts from its operations. These technologies include,

- Micro-channel Heat Exchange (MCHE) refrigerators, which increase cold by 30%, while reducing refrigerant by 30%. The fridges are also 11 kg lighter, allowing for easier maneuverability, safeguarding employee health and safety.
- Automatic Lighting and Air Conditioning system, which is only operational when employees and customers are present in the store.
- Electronic shelf label system, heat map camera and people counting camera, monitor door station and IP camera, Panasonic display and digital signage, solar roof top for mobile, notebook charging and solar street lights, temperature detection with facial recognition.

Furthermore, beyond the environmental benefit the showcase store presents, BJC also expects the store to serve as a platform for students, encouraging the development of new products and services, such as packaging, and branding to elevate products and services quality to certify for standards such as FDA approval and Thailand Industrial Standards Institute (TISI) Standards. BJC will offer distribution channel, sell and promote developed products within the showcase store, and prioritize local products, famous for the region, another channel to create income for local agricultures.

At present, the store offers over 5,566 products SKU, ranging from fresh, dry foods, bakery, condiments, small electronics, stationary, and serves Wawee coffee. The showcase store also offer a one of a kind unique Co-Working Space and other inclusive services such bill payment, phone top-up, deposit/withdrawal finance, and parcel delivery, while continuously offering and promoting Big C's key differentiator to offer diverse products selection at a reasonable price to satisfy all customers.

Examples of products developed as a result of students surveying over 100 surrounding communities include;



LIME JEED  
RECEIVE HEALTHIER CHOICE AWARD

# CYBERSECURITY AND DATA PRIVACY

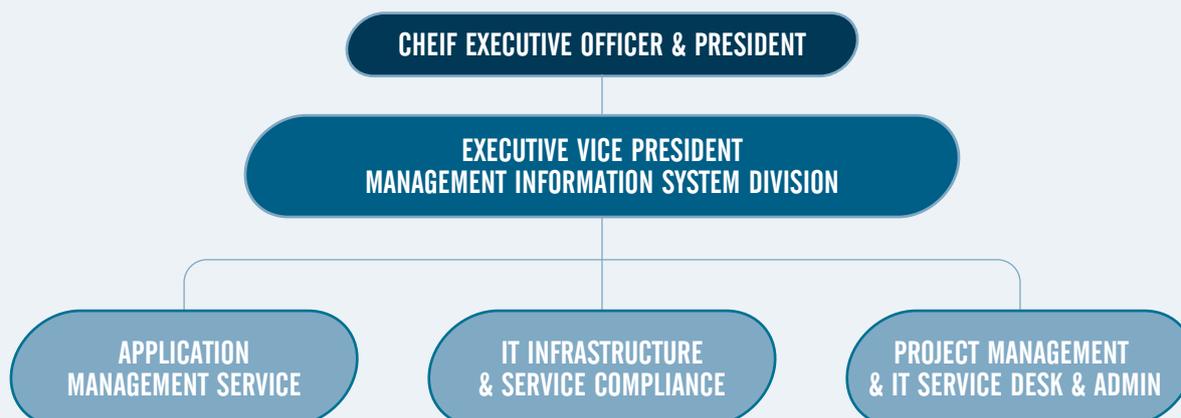
As technology advancement continued to progress globally, many companies such as BJC are relying on the use of technology such as information technologies to elevate the quality of products and services, to continuously develop customized product and services offering to consumers. However, with the increase utilization of information technologies, companies are at risk of cyber securities threats such as cyber-attacks, computer viruses and data breaches from external entities, making a comprehensive **cybersecurity and data privacy management** a key focus for many companies. Should companies neglect to implement an effective cybersecurity and data privacy strategy, they risk facing extensive financial, non-financial and reputational damages, including loss of customer data and confidence, damaged brand reputations, loss of intellectual property, and monetary loss\* hindering a sustainable growth.

In 2020, as a consequence of the coronavirus pandemic (COVID-19), cybersecurity and data privacy have become particularly important for companies, since Governmental regulations to limiting the spread of the COVID-19 have resulted in many companies, implementing a work from home arrangement. As such, companies, including the retail sector have further increased the use of information technologies, elevating the risk of cybersecurity.

BJC acknowledge the shift in the use of information technology, during the COVID-19 pandemic, and recognizes the importance of a comprehensive cybersecurity and data privacy management to safeguarding corporate information systems and data privacy from cyber-attacks. As such, BJC has implemented diverse policies, and processes to monitor and prevent cyber-attacks, protecting all cybersecurity and data privacies.

To promote an effective cybersecurity and data privacy control, BJC has established an **Information Technology (IT) Management Structure**, which is responsible for the management of all matters relating to cyber securities and cyberattacks, including Information and cyber security policy, Disaster Recovery Plan (DRP), Vulnerability Assessment (VA), and Penetration/stress tests. Moreover, the management structure is responsible to raise awareness amongst all employees, through online learning courses, and newsletter, reducing the risk of employees falling victim to external cyber-attacks.

## INFORMATION TECHNOLOGY STRUCTURE MANAGEMENT



BJC's Board of Directors places great importance to cybersecurity by establishing an information technology strategies to operation according to the international principle stipulated in Confidentiality, Integrity and Availability, also known as CIA triad to ensure that business goals and plans cover technological information management across the governance structure. The Chief Executive Officer (CEO) of BJC who has jointly invested in big data development through the C Smart Solution Co.,Ltd (CSS), a data analytic company that invests in technology for database analysis systems, supervises the overall IT management, with Executive Vice President of IT ,or equivalent Chief Information Officers (CIO) being responsible for corporate IT management, IT infrastructure and data security and report directly to the CEO.

To support efficient management, BJC has implemented a Management Information System Division (ISD) to ensure that cybersecurity and infrastructure within BJC are managed properly through a centralized structure as follows; application management service, Information Technology Infrastructure and service compliance and project management and Information Technology service desk, including any issues related to cyberattacks. In addition, cybersecurity policy and guideline were issued to protect leak of sensitive information. The department that is primarily responsible for cyber security is Information Technology Security Department, which is under the Information Technology infrastructure and service compliance for digital risk control, data protection, and overall Information Technology risk management. This department also maintains and provides systematic proof of both adherence to internal policies and the external laws, guidelines, or regulations imposed upon the company.

Any Information Technology risk incidents will be reported to Risk Management Committee quarterly to handle in alignment with Enterprise Risk Management Framework (ERM) and the company policy. The committee is responsible for reporting and receiving advice to ensure that company manage information security and cyber security risk effectively and appropriately in order to prevent and mitigate the business impact.

Additionally, Information Technology system that have been audited to certify Information Security Management System: ISMS (ISO 27001) to ensure that internal information is handled effectively by international standards, as well as develop additional protocols, policy and preventive mechanisms during the pandemic to accommodate the transition in working styles. All these approaches aim to eliminate and prevent cyber threats strongly that summarized as follows;

## 1. BJC'S INFORMATION AND CYBER SECURITY POLICY

- Shall not reveal any confidential information, documents or trade secret for one year after leaving their duties
- Do not carry assets or use the BJC Group's Internet for commercial or personal gain purposes
- Shall not install software or record any information in the company's computer without permission
- No copyrights infringement of the company
- Providing Information security and cybersecurity awareness training as well as communicating to all employees regularly
- Password and any other codes to access the computer system must be kept confidentially
- Protection programs have to be installed to prevent external threats on main and clients' server such as Web Application Firewall (WAF), Intrusion Prevention Systems (IPS), Advance Persistent Threat (APT), Anti-virus program or Anti-malicious program

- Important information systems (log) are stored for inspection and track back to the computer logs
- The Grievance channels process is given to make complaints or investigate information security and cyberattacks

## 2. VULNERABILITY ASSESSMENT (VA)

BJC has implemented vulnerability assessment process to identify threats and the risks they face at least once a month. They usually involve the use of automatic testing methods, through applying a multitude of controls, detect the type of operation, its setup and, subsequently, the potential weaknesses in the device. The result of which are shown in the vulnerability assessment report.

## 3. PENETRATION TEST

In order to mitigate the emergence of certain threats, BJC conducts a penetration test consisting of a cyber-attack scenario to determine the adequacy of the technological and operational security measures implemented by the organization semi-annually. The test can be conducted in both the "internal penetration test" and the "external penetration test" styles. In an internal penetration test, the tester would have access to the organization's network and a domain account to mimic an intruder that has been able to penetrate the perimeter security controls. Instead, an external penetration test simulates a real IT attack, as the tester's aim is to hack organization's IT architecture from exposed services.

## 4. DISASTER RECOVERY PLAN (DRP)

A DRP aims to help an organization resolve data loss and recover system functionality by Identifying procedures, strategies, and manuals for the recovery or assistance of IT systems operate continuously upon system failures caused by natural, man-made and disasters. BJC also constructed an IT contingency plan and test semi-annually to deal with irregular events that induced system disruption and harm and ensure business continuity and timely system recovery.

## 5. IT AUDIT PROCESS

IT audit is an important process of collecting and evaluating BJC's information systems, practices and operations to ensure the effectiveness and competence of IT systems and internal controls against policies and regulations. Furthermore, IT infrastructure and information security management systems also have been audited by external auditors in order to criticize accounting procedures and general processes, and develop action plan for greater productivity.

As cyber risk grow more serious and considerably more complicated, BJC is well aware of certain threats, resulting developing in the cyber risk management framework with business operations as follows:

## PROCESS FLOW FOR CYBER RISK INCIDENT

NO	DETAIL	RESPONSIBLE PERSON	TIME TO PROCESS (MINIMUM & MAXIMUM)
1	Check email alerts for threats	IT Security	2 - 5 Minutes
2	Analyze information from the threat protection system <ul style="list-style-type: none"> <li>Investigate suspicious computer or cyber-attacked system</li> </ul>	IT Security	5 - 30 Minutes
3	Inform the information of cyber-attacked computer to helpdesk team	IT Security	2 - 5 Minutes
4	Helpdesk team analyzes problems and opens tickets for IT Operation or IT Infrastructure team	Helpdesk	5 - 10 Minutes
5	<ul style="list-style-type: none"> <li>IT Operation team will investigate the issue on computer if the problem is caused by the computer</li> <li>IT Infrastructure team will check and solve the problem if the problem is caused by server system</li> </ul>	IT Operation IT Infrastructure	2 - 5 Minutes
6	Responsible team will investigate problems at the computer or server system	IT Operation IT Infrastructure	15 - 30 Minutes

After the above processes, helpdesk team will investigate incidents. If the incident has been graded as critical, the issue need to be escalated to higher management for notifying within the specified time in the following table;

PRIORITY LEVEL	INCIDENT MANAGER	VICE PRESIDENT	SENIOR VICE PRESIDENT / EXECUTIVE VICE PRESIDENT
Critical	Immediately	15 Minutes	30 Minutes
High	15 Minutes	1 Hour	4 Hours
Medium	30 Minutes	4 Hours	8 Hours
Low	1 Hour	8 Hours	24 Hours



## PERFORMANCE

Cybersecurity awareness training has been established to ensure that all employees aware the important of the risk and know how to recognize and mitigate a cyber threat by allowing employees able to identify and eliminate cyber threats. Employees need to pass with an 80% score for the post-training test. In 2020, 91% of employees completed the training.

## HIGHLIGHT PROJECT

At present, the development of cyberattack prevention has been improving efficiency in accordance with new normal lifestyle for increasing productivity in operation processes. BJC has developed projects to encourage better management of technological security as follows:

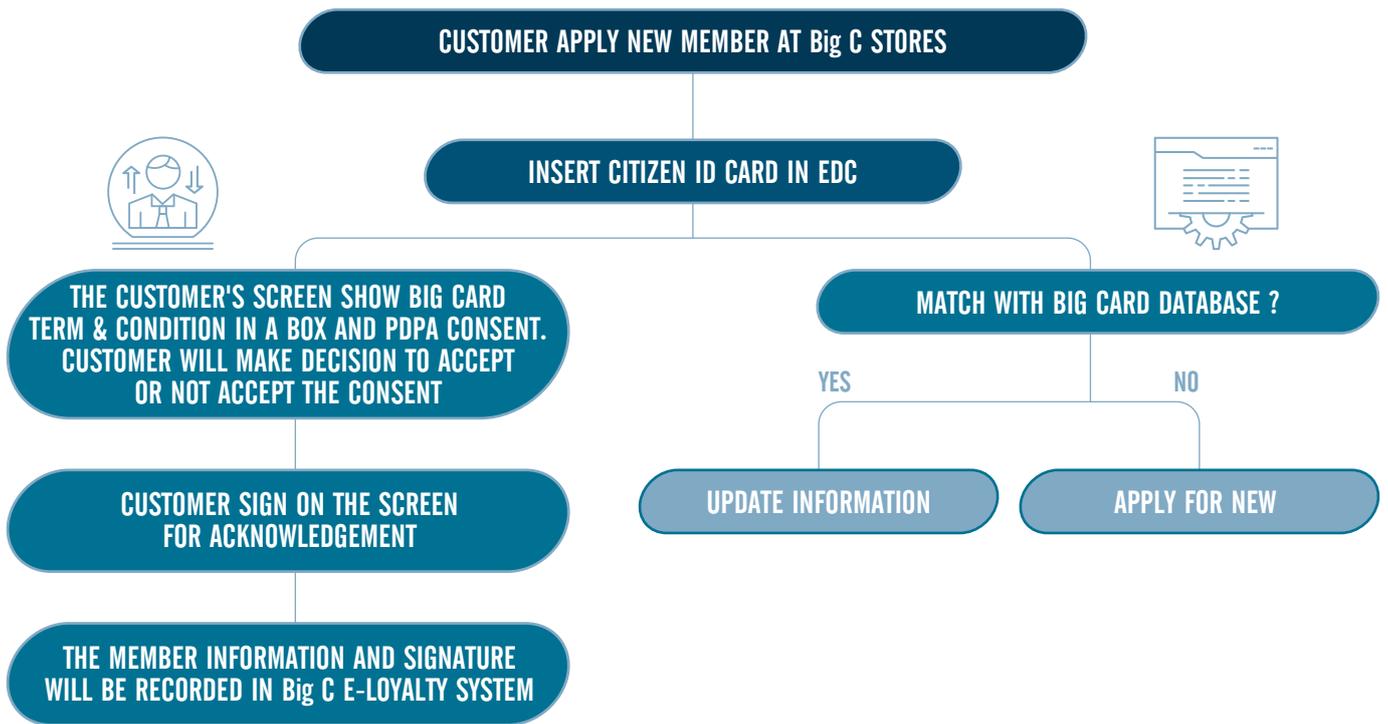
### EMAIL SECURITY BY CISCO IRONPORT SYSTEM



BJC has implemented the Cisco Iron Port system for filter high-risk email from external organization in order to prevent spam, malware and attack from hackers. The system supports advanced protection against spear-phishing and other sophisticated attacks. Moreover, threat intelligence has been updated instantly and automatically for better protection, as well as control over sensitive data to protect against any data leaks. In 2020, there were 99.99% of spam or malware has been blocked by the system. This result demonstrates the effectiveness of BJC's system in prevention of cyberattack.

### AUTOMATICALLY RECORD CUSTOMER INFORMATION BY ID CARD READER /DEPARTMENT OF PROVINCIAL ADMINISTRATION (E-DOPA)

BJC has implemented Identification card reader (ID card reader) and E-DOPA since January, 2020 to prevent identity theft by fake ID card, incorrect filling customers' information and reducing time for identity verification processes. Presently, the tool has been applied to 100% of Big C branches which can reduce the occurrence of fraud. The main function of this tool is to retrieve customer data recorded in E-DOPA and ID card ship systems accurately and quickly. The basic information will be recorded to Big C system automatically.



## INTEGRATED CLOUD COMPUTING PLATFORM TO IMPROVE INFRASTRUCTURE



BJC has implemented Cloud computing platform as an all-in-one solution to manage, process, store, and protect customer data from identity theft by using a single platform via drive and google vault. The customer data has been quickly retrieved or access the most update information with patching update. The platform reduce data damage caused by document storage in international standard with limited authorized access. In 2020, this system provides 100% coverage of online shopping channels for effective protection against cyberattacks, and BJC is committed to continuous improve protection system to keep up with changing technology.

## ESTABLISHED CLOUD CND INTO IT SYSTEM

In order to have an adaptation to technological transformation, Cloud CND has been implemented to provide more effective cyber security by securing Internet properties against denial-of-service attacks (DDoS), customer data breaches, and abusive bots with Advanced DDoS Mitigation as a shield to multiple networks. The system has also increased the speed of accessing and the efficiency of loading Big C shopping online more than 29% in 2020. From the information, the result shown that the systems has positive affect to BJC businesses in terms of cybersecurity and enhance work efficiency of online websites which improve customer satisfaction as well.

# PRODUCT QUALITY AND SAFETY



As an outcome of increase accessibility and rate of shared knowledge and information worldwide, modern consumers have expressed an increase demand and prioritization for high quality and safe products and services from companies. As a consequence, companies are continuously prompted to invent new products and services breath and range to meet the ever increasingly specific customer demands, while simultaneously develop new initiatives to improve, and insure the quality and safety of products and services throughout the value chain, continuously striving to meet the demands of all stakeholders throughout the value chain including suppliers and customers. BJC strongly believes that offering products at their best quality and safety will enable BJC to safeguard customer health and nutrition, allow BJC’s products and services to remain competitive and top of mind in the market.

Furthermore, many of the new behaviors and concerns expressed by consumers have been formed during the on-going coronavirus (COVID-19) pandemic, especially mental and physical wellness. BJC recognizes the connection between health and nutrition to product quality and safety, viewing that poor health and nutrition impairs one’s ability to lead an enjoyable and active life, impacting the capacity to work, which can lead to the development of Non-Communicable Diseases (NCD) such as, obesity, bone mass decay, high blood pressure/cholesterol, diabetes, cardiovascular diseases or cancer), depression and longevity. Through its operations in the food sector, BJC recognize the opportunity to elevate the quality of life for all customers, through the provision and access to healthy and nutritious products, along with accurate information, to aid customers decision-making.

As evident from BJC’s vision, **“providing top quality products and services that are involved in the everyday life of people”**, BJC have always been committed to providing customers with high quality products and services, expressed through various projects and initiatives implemented throughout the years, to meet the needs of the increasingly specific health conscious consumers.

To facilitate BJC’s commitment to uphold and provide customers with high quality, safe, healthy and nutritious products and services, BJC complies with the corporate-wide Health & Nutrition guideline and applicable to all five core supply chains, which include Packaging Supply Chain, Consumer Supply Chain, Healthcare and Technical Supply Chain, Modern Retail Supply Chain and Other Supply Chain that focuses on retail business in various sectors.

The Health & Nutrition Guideline has been developed in 2019, aiming to be the management measures for the whole value chain. The measures ensure that the production and distribution of quality and standard products comply with applicable laws, regulations and standards of Thailand and trading partner. Moreover, they also confirm if product label provides accurate information of ingredient, usage, and storage that comply with the standard required by laws and regulations of Thailand.



BJC integrates quality, and safety controls throughout the value chain, and health and nutrition considerations to relevant food related aspects. Though strict in its compliance with laws, regulations and best practice standards, the Health & Nutrition guideline is customizable to fit the unique requirements of the different supply chains.



## PRODUCT QUALITY AND SAFETY PROCESS

In order to offer products at their best quality and safety to customers, BJC develops the Product Quality and Safety Process, comprising of four major phrases which are Quality and Safety Sourcing, Quality and Safety Production, Quality and Safety Control and Inspection Process and Grievance Mechanisms. The process is applicable to all of BJC's five core supply chains.



## 1. QUALITY AND SAFETY SOURCING

To uphold the high quality, safety and uniformity of finished products and services in accordance with relevance standards, BJC develops and implements various internal quality and safety assurance throughout the value chain, starting from raw materials sourcing.

BJC and its subsidiaries source raw materials used throughout production from qualified suppliers, which conduct business in accordance with international standards such as Good Manufacturing Practice (GMP), Hazard Analysis and Critical Control Points (HACCP), and the International Organization of Standardization Quality Management System (ISO 9001). This is clearly evident in Thai Glass Industries PLC (TGI) and Thai Malaya Glass Co., Ltd. (TMG) where in addition to sourcing from selected suppliers, raw material samples are also taken for component analysis, ensuring compliance to the Glass and Raw Material Technology Department.

Furthermore, to ensure quality and safety sourcing, Berli Jucker Food Ltd. (BJF) continuously supports Thai farmers to conduct sustainable agriculture practices, elevating status as a quality suppliers. One of the most recent supports is the development of potato plantation in the north of Thailand and the encouragement for farmers to conduct Good Agricultural Practices (GAP), which includes safety of water used, site safety and sanitation, limit use of agrochemicals, data records, biocontrol practice quality management and harvesting and post harvesting handling. GAP aims to ensure that raw materials meet the safety standards while minimizing negative environmental impacts.

Approved raw materials then undergo further process to test negative for assurance, after which they are used in production process per the international standards mentioned. Once complete, finished goods enter quality assurance and quality control procedures. The procedures and frequency are customized according to the product's nature.

## 2. QUALITY AND SAFETY PRODUCTION

In 2020, BJC business units have strengthened their productions for higher quality and safety. Thai Glass Industries PLC (TGI) and Thai Malaya Glass Co., Ltd. (TMG) have applied 5S management philosophy, which consists of Sort, Set In Order, Shine, Standardize and Sustain, into their factory, shop and office. Both TGI and TMG have successfully increased food safety by removing unnecessary items at workplace, developing better procedures and avoiding any contaminant during production that may be harmful to consumers' health.

As for Berli Jucker Logistics Co. Ltd. (BJL) and BJC Move, BJC's supporting arms for logistics, both units have strengthened their standards in 2020 by acquiring the following standards: ISO9001:2015 and Q-mark.

### 3. QUALITY AND SAFETY CONTROL AND INSPECTION PROCESS

After the production, all packaged products will go into quality control process by a series of testing and evaluation. At Big C Supercenter PLC, the quality and safety of products are inspected at a laboratory, certified by the Department of Medical Sciences, Ministry of Public Health. All products must be inspected at the laboratory before putting on shelves (1<sup>st</sup> production lot testing). Moreover, all products on shelves are also inspected 1 - 4 times annually depending on product category (Product Monitoring Plan).

Moreover, to confirm that customers are satisfied with product quality and safety, Sensory Evaluation is conducted constantly for Big C's house-brand food products. Each brand's products are tested their colors, smell, taste and texture by a sample of target customers. Hedonic 9 point and Ranking Scale methodology are used for the evaluation. As a final point, to confirm the accuracy of labelling, conformity and packaging, the products will be inspected once more. Shipment labels are also put in place, in order for transportation standards to be traceable and controllable.

Constantly carried out from 2019, Big C has continuously practiced the Agricultural Hazardous Substances Control Measure to control the use of chemical substances in fresh food products. In 2020, Big C has also developed chemical inspection criteria at the packaging house to cover residues from pesticides and fungicides.



## PRODUCT RECALL

Nevertheless, if a product does not achieve the quality and safety standards, product recall procedure may be needed and it is addressed through product evaluation results, customer complaints or the feedback from other stakeholders. At this point, a responsible department will investigate the product sample regarding the concerns, with reference to the results, complaints or feedback. Once the concern has been verified and confirmed, the products will be investigated again by a recall team, to identify the root cause. In addition, a stimulated product recall procedure is annually conducted to ensure the procedure's readiness and efficiency.

## PRODUCT MONITORING PLAN

Monitoring process for all products is conducted by both BJC in-house departments and qualified external organizations who are certified with the International Organization of Standardization Testing and Calibration Laboratories (ISO 17025). Regularity of product monitoring plans depends on each product. For example, at TGI and TMG, in-house monitoring process collects and analyses product samples on a daily basis to ensure outgoing product quality, while external product quality audits are conducted annually. Relevant product monitoring plans and process are conducted at each BJC factory, ensuring that all products produced and sold by BJC are at their best quality.

## 4. GRIEVANCE MECHANISM

Any issues or feedback customers and other stakeholders may have regarding BJC's product quality and safety, available channels they may use to reach BJC include Contact Center (1756), company website, social media platforms (Facebook, Live Chat) and emails.

To ensure product quality and safety, BJC's subsidiaries have applied customer complaint as a measure, which is more challenging than quality assurance and quality control as they are already applied as usual standards. Customer complaints have enabled BJC to realize rooms for improvement and the approach to continuously increase customer satisfaction.

TGI and TMG have implemented Customer Complaint Report Online system (CCR) in order to manage feedback from customers and to communicate customer complaints directly to the audit committee and related employees. In 2020, both TGI and TMG have achieved the target of customer complaint regarding the quality and safety of glass bottles.

Thai Beverage Can Co., Ltd. (TBC) has set a very challenging 2020 target comparing to its 2019 target. Although the total number of complaints regarding its product quality exceeds the target, the number has shown an improvement when compared to the number in 2019.

Berli Jucker Food Co.,Ltd. (BJF) and Berli Jucker Cellox Co., Ltd. (CPC) both also have achieved the target of customer complaint regarding their products' quality and safety. Moreover, the 2020 targets for TGI, TMG, BJF and CPC have been set to be more challenging than their 2019 targets.

	2019 TARGETS	2019 ACTUAL COMPLAINTS	2020 TARGETS	2020 ACTUAL COMPLAINTS
<b>TGI</b>	≤0.30% complaints /10 million bottles	0.26% complaints /10 million bottles	≤ 0.27% complaints /10 million bottles	0.18% complaints /10 million bottles
<b>TMG</b>	≤0.30% complaints /10 million bottles	0.26% complaints /10 million bottles	≤ 0.29% complaints /10 million bottles	0.29% complaints /10 million bottles
<b>TBC</b>	60 total no. of complaints	57 total no. of complaints	36 total no. of complaints	55 total no. of complaints
<b>BJF</b>	≤0.24% complaints of products sold	0.23% complaints of products sold	≤0.23% complaints of products sold	0.23% complaints of products sold
<b>CPC</b>	100 total no. of complaints	83 total no. of complaints	70 total no. of complaints	46 total no. of complaints

At Big C, for Big C brands, there are 85 cases of product complaint in 2020. The root cause of each case has been identified and most root causes are products appearance and food spoilage. Thereby, all related departments and suppliers to the cases have been notified and they carefully investigate each case. The corrective and preventive actions have been executed to assure the higher quality and safety standards; the suppliers have revisited their production and packaging processes and tightened their quality assurance. Concurrently, the logistics and inventory management have been reexamined and improved, especially for fresh food products. All 85 cases in 2020 have been closed.



# HEALTH AND NUTRITION



In recent year, the World Health Organization (WHO) has reported that obesity and overweight are still a global health issue. The fundamental cause of obesity and overweight is an energy imbalance between calories consumed and calories expended. In 2020, the worldwide spread of the COVID-19 has raised the importance of health and safety in all consumers, shifting consumer behaviors and consumption trends to be more health centered. A research from Cambridge University has also confirmed that obesity is a risk factor for death from COVID-19. The health crisis has then created a range of unique and individual impacts such as maintaining a healthy lifestyle, eating a healthy diet, exercising regularly and keeping a healthy body weight.



BJC realized the issued and reinforced its Health and Nutrition Policy in 2019, which was also carried out in 2020. The policy ensures the production and distribution of quality and standard products comply with laws and regulations. Product labels are addressed on their accuracy of information of ingredient, usage, and storage that comply with the standard required by laws and regulations. Moreover, following the policy, BJC has been building better health awareness to the customers by providing information on wellbeing and healthy diet through various communication channels. BJC has been encouraging research and development of new product reformulation that has greater health benefits and meet more customers' needs, having more healthy/organic products available in 2020.



# HEALTH AND NUTRITION ADVISORY PANEL

Health and Nutrition Advisory Panel has been appointed, consisting of experts and experienced personnels health and nutrition, including the chairman and 4 members, all of whom are appointed by the Company's Management Board. The chairman of the panel is a representative from The Government Pharmaceutical Organization (GPO), and other members are from health and nutrition related company or business unit such as Berli Jucker Food Co., Ltd. The panel is responsible for initiating policies and business framework to support safe, healthy and nutritious products offered to the consumers. This also includes updating information on new market knowledge and innovation related to health and nutrition. Moreover, the panel ensures that all business units have efficient production process in accordance with international standards on product nutrition.

## PRODUCT LABELLING

BJC has a systematic approach to product labeling when developing new products. For example, at Big C, as part of the Private Label New Product Development Process, all product labeling must be complied with the Food and Drug Administration (FDA) before launching. For both fresh and dry food house brand products, BJC complies with the announcement of the Ministry of Public Health in terms of product labeling. BJC emphasizes clear and sufficient product labeling in order to support customers in their decision-making when selecting products - The house brand food products under Big C and Happy Price brands always display a nutrition fact label, including energy (Kcal), sugar (gram), fat (gram), and sodium (gram), which aligns with the Guideline Daily Amount (GDA). - Products under Big C and Happy Price brands display nutrition information, table including nutrition facts, ingredients, uses, and storage as required by law.



## 2020 HIGHLIGHTS

There is no reported incident of non-compliance with regulations concerning the health and nutrition of products in 2020. Moreover, following the Health and Nutrition Policy, along with the rise of health conscious, BJC has been working closely with all business units and partners to develop and offer more healthy food menus to customers. At Bic C Supercenter, a wide range of healthy products have been added to the shelves in 2020, allowing the consumers to have more choices of healthy food to browse and shop.

### MENUS OF SILVER AGE READY-TO-EAT FOOD

Thailand is already an ageing society, with higher percentage of senior citizens each year. This growing population of seniors is living longer, creating many new business opportunities. In response to the trend, Big C have developed 5 additional healthy menus of silver age ready-to-eat food, which contain easy-to-digest ingredients, lower sugar and lower sodium. The menus are available at 34 Big C stores or 22% of Big C Supercenters.



## ORGANIC VEGETABLES

The demand for organic fruits and vegetables in Thailand has been continuously rising, due to growing health concerns, and increasing number of health conscious consumers. In 2020, Big C have added over 70 more choices of organic vegetable to the shelves, making over 100 choices of organic vegetable available. The choices are available at 60 Big C stores or 39% of Big C Supercenters.



## FROZEN PLANT-BASED MEAT

We are witnessing significant growth of vegan and flexitarian population across the world and the rise awareness about the health benefits offered by plant-based meat over animal meat. Big C begin to offer a range of frozen plant-based meat in 2020. There are now 13 frozen plant-based meat products available. The products are available at 23 Big C stores or 15% of Big C Supercenters.



## MORE HEALTHY BREAD BRANDS AT MORE Big C STORES

Apart from Big C's own brand of healthy bread, this year Big C have made more healthy bread brands available at most Big C stores. There are 20 choices of health bread available in 2020. The healthy bread brands are available at all Big C Supercenters.



## Big C CROISSANTS

Croissants at Big C contains no artificial trans-fat , lower calories and less saturated fat comparing to most croissant samples tested by Chaladsue online magazine.



# WASTE MANAGEMENT



Following decades of industrialization, paralleled with rapid surges in population growth, meeting the predicted 8.5 billion by 2030\*, the amount of waste generated from operational value chain (including post consumption) have outpoured beyond a sustainable level for the environment to naturally renewed consumed resources or companies to efficiently managed. As such, effective waste management have become a prominent issue for many companies worldwide, seeking to productively manage waste generated throughout the value chain (including post consumption) to minimize and manage environmental, social and economic (ESG) impacts.

The issue of waste management is further intensified, as modern consumers are becoming more conscious for ESG considerations, actively seeking environmentally friendly products and services alternatives, while holding companies accountable to appropriately manage waste generated, in accordance with applicable laws, regulations and standards. A lack of effective waste management procedures may result in a series of negative environmental and social impact, such as contaminating water, air and soil quality, affecting surrounding ecosystem and local communities, creating hazardous environment, which may lead to complaints and loss of license to operate in the area. BJC have always values the health, safety and well-being of local environment and communities, and is dedicated to making tangible changes in waste reduction through effective waste management. This pledge is carried out through various initiatives to supervise BJC's waste generation, and waste management procedures throughout the value chain to tackle the issue of waste to protect surrounding ecosystems and communities.

BJC is committed to manage all waste generated from operations across the entirety of the value chain, including post consumption. On the account of BJC operating in diversified business sectors, BJC generates wastes at all points of the value chain, in different forms and volume, each requiring specific management strategy and procedures to manage appropriately, in compliance to applicable laws and regulations, and committed best practice standards.

To appropriately manage waste, each supply chain employs customized waste management initiatives to effectively manage the different types of wastes significant to each supply chains accordingly, safeguarding BJC from potential waste management violations.

Waste generated from operations are systematically manage through BJC's strictly comply with the established corporate wide **Environmental Management Policy**, developed in accordance with all applicable laws, regulations and standards, in addition to utilizing the ISO 14001 criteria as a foundation, evidencing BJC's commitment to appropriate waste management according to applicable laws, regulations and standards. Under this policy, BJC have adopted a circular economy based approach and applies the 7R's concept, of Rethink, Reduce, Recycle, Reuse, Repair, Repurpose, and Rot, along with an ambitious waste reduction target to foster coherent and effective waste management accordingly in all business units, aiming to reduce all types of significant waste in each supply chain.

<https://www.un.org/sustainabledevelopment/blog/2015/07/un-projects-world-population-to-reach-8-5-billion-by-2030-driven-by-growth-in-developing-countries/#:~:text=The%20world's%20population%20is%20projected,around%2035%20years%20from%20now%2C>

## WASTE MANAGEMENT PERFORMANCE BY TYPE (TONNES)

INDICATORS	2019	2020
Total Waste Generated	56,361.00	68,957.13
• Hazardous	2,125.08	953.25
• Non- Hazardous	54,235.85	68,003.88
Total Waste Used/Recycled/Sold	24,780.00	28,038.01
Total Waste Disposed	31,581.00	40,919.12

## WASTE GENERATE PER OPERATION



Remark: operation = total branches of big c (exclude franchise) + total factories in country + Warehouse + Headquarter

BJC applies the 7R's concept throughout all operations, to assess the amount of waste generated, in relation to the amount of raw materials input to identify processes within operations where high volume of waste are generated. Assessments are primarily conducted by two groups, the group internal audit division and certified ISO body. The Group Internal audit independent division, assess operations which do not hold ISO certifications, these include operations such as head office and office based operations. On the other hand, production and manufacturing based operations which operate in compliance with the international standards such as ISO 14001:2015 are assessed annually by relevant ISO body representatives respectively, conducted annually. Assessments results are reported to relevant business unit head, and head of operations whom, analyses results against past performance to compare change in regards to waste generation, before deciding appropriate actions to manage waste accordingly. In case of significant issues are identified, the case will be presented to the management board and the audit committee for additional decision-making input.

## PACKAGING SUPPLY CHAIN

Packaging supply chain design and manufactures packaging products, in addition to selling and distributing packaging products and offers engineering solutions to meet customer specific requirements. The primary manufacturers within BJC are Thai Glass Industries (TGI), Thai Malaya Glass (TMG), and Thai Beverage Can (TBC). Significant waste from this supply chain includes raw material scraps such as glass and aluminum, and sludge from water treatment ponds.

### CLOSE-LOOP SUPPLY CHAIN

Glass scraps are produced from broken or off specs products which are processed into cullet, which are used as raw materials for the next batch of glass. Doing so not only reduces the consumption silica sand, necessary in glass production, but also lower energy consumption, since recycled glass has a lower melting point to silica sand.

### THAI MALAYA GLASS AND THAI GLASS INDUSTRIES ZERO WASTE TO LANDFILL

Following Thai Malaya Glass Co., Ltd. (TMG) and Thai Glass Industries' (TGI) **Zero Waste to Landfill** Commitment in 2019, TGI continued to develop new management approach and projects to reduce operational waste through recycling and recovery, under a approach to explore maximum benefits from all types of waste, prior to landfill.

In 2020, TGI implemented a “Waste Water Treatment” Project, which recover sludge from API cleaning process into high quality fertilizers. These fertilizers are utilized on-site to grow local herbs for employee’s consumption. Prior to using the fertilizers to grow herbs, fertilizers were subjected to tests and approval from relevant safety governmental entities including the department of environmental quality promotion, and the ministry of industry, ensuring that herbs grown with these fertilizers are safe for human consumption. This resulted in 37 tons of waste averted from landfill annually.

In addition, to increase waste management awareness amongst employees. TGI conducted a SHE2 Day, to educate employees and students from surrounding schools about the recycling and recovery process of the fertilizers.



## THAI BEVERAGE CAN

Similar to TGI, Thai Beverage Can Limited (TBC) implemented a project to process water treatment sludge into high quality fertilizers. The fertilizers are used within the facility for gardening. In 2020, the project averted 484 Tons of waste per year from landfill, equivalent to 338,800 Baht saved.



## CONSUMER SUPPLY CHAIN

Consumer supply chain manufactures, market, distribute and sell consumable products used in the everyday life of consumers such as tissues, snacks, and personal care products\*. The main business units within the supply chain include Rubia Industries Limited (RIL), Berli Jucker Cellox Co., Ltd. (CPC), and Berli Jucker Food Ltd. (BJF). Furthermore, the supply chain also include upstream operations, including agriculture, as such also generates food related waste. The main types of significant waste generated in this supply chain includes production by products such as lye solution (from soap boiling), food waste, paper and plastics.

## RUBIA PACKAGING WASTE REDUCTION

Rubia Industries Limited (RIL), prioritizes the well-being of society and the environment, aiming to operate in the most sustainably manner possible to reduce impacts against ESG. To achieve this, RIL actively monitor applicable laws and regulations, global trends and strictly operate in compliance with international standard ISO 14001, since 2014, and have continuously developed new products, services and management approach to reduce negative impact from operations towards society and the environment. In 2020, to minimize the growing contamination of micro plastics on the global ecosystem, RIL have developed new products under the Parrot and dmp brand to be micro plastic free, by removing the non-degradable microbeads or scrubs infused into products in the past. This significantly reduces environmental impacts, especially micro plastic from water sources.

\* Tissues: include facial tissues, toilet paper, and other multi-purpose papers  
Personal Care Products: Includes Parrot soap and DMP baby soap

Next, to improve production efficiency in the confectionary plant and reduce waste from operations, RIL regularly conduct machine maintenance during lower production period from key production processes including the cooking process, stick wrapping process and pillow wrapping process. In 2020, the maintenance of these key processes results in a total reduction of operation waste of 4.8%, equivalent to 10.4 tonnes per year.



### BJF ZERO WASTE TO LANDFILL (ZWL)

In 2020, Berli Jucker Food Ltd (BJF) committed to a Zero Waste to Landfill (ZWL) approach to waste management, aiming to eliminate all waste, such as food, plastic and sludge from water treatment sent to landfill from its operations. To achieve this ambitious commitment, BJF improve its internal waste management approach to comply with applicable standards, including the internationally recognized ISO14001:2015 standards. The standard emphasize an upstream waste management, seeking to reduce and manage waste from the source of the value chain, through increasing production efficiency. Furthermore the standard emphasize on a no waste to landfill management approach, aiming to utilize waste to create value, over directly sending waste for disposal in landfill. This resulted in BJF, implementing various waste management projects as follow,

- **Animal Feed:** Food waste is the most significant type of waste within the consumer supply chain, generated from manufacturing processes, damaged products and unsold product. To remediate this waste, while ensuring the health and safety of consumers, BJC process food wastes into animal feed.
- **Improved Internal Waste Separation:** BJF educate internal employees on proper waste separation technique to better improve waste separation accuracy. Waste are separated into 3 main groups, Water, Recycles and Food waste. Once separated, waste are sold to relevant external parties to process. In 2020 78% of all waste are separated accurately.
- **Turning Waste into Energy Recovery:** To manage the non-compostable plastics waste from defected packaging, BJF send these waste to be processed offsite into mix fuel sources, utilized in the production process by authorized entities, according to applicable laws and regulations, such as cement manufacturer. In 2020, this processes increased by 5%.
- **Processing Sludge from Water treatment into Fertilizer:** Similar to TGI and TBC, BJF also implemented a project to process API Sludge from water treatment into high quality organic fertilizers utilized in on-side gardens. In 2020, BJF increased the use of this process by 17%.
- **Landfill:** Through the zero waste to landfill commitment, in 2020, BJF had zero waste sent to landfill, a reduction of 12% form previous year.



## YAG, LAG, TISSUE ZILK BY CPC

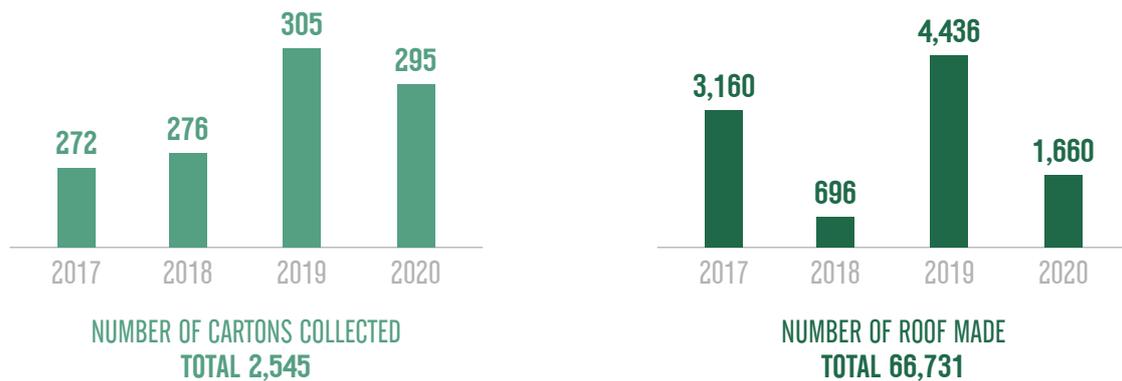
Since 2016, Berli Jucker Cellox Co., Ltd. (CPC) have continued to implement the “Yag, Lag, Tissue Zilk” (Separate, Exchange for Zilk Tissue) project annually. The project, which was developed in accordance with the 3R’s concept to reduce, reused and recycle tissues, aim to educate communities surrounding both the Bang Plee and Prachinburi factories to correctly separate waste, emphasizing on paper based waste, such as documents, notebooks, and tissues (excluding all types of colored papers, laminated paper, brown paper bags, newspaper and paper bags). Communities can exchange separated paper based waste for CPC’s high quality tissue products in a ratio of 1 kilogram of reuse products for 3 rolls of tissue products, values at 18 baht.

This program encourages communities to adopt the 3R’s concept, to appropriately manage waste, fostering a sustainable awareness amongst communities. This has significantly reduced waste generated from household’s communities, sending waste directly to landfill. As a result of the program, in 2020, the Bang Plee factory recycled 47,723 kilograms (47.72 tonnes), while the Prachinburi factory recycled 9,210 kilograms (9.21 tonnes) of paper based waste, equivalent to 859,014 baht and 165,780 baht annual cost saving for communities for Bang Plee and Prachinburi respectively. These results in a combined paper based waste recycled of 56,933 kilograms (56.93 tonnes) equivalent to a total of 1,024,794 baht per year from reduced waste management expenses.



## THE GREEN ROOF PROJECT FOR FRIENDS IN NEED WITH TETRA PAK

First launched in 2010, ‘The Green Roof Project for Friends in Need’ is a collaboration with Tetra Pak to collect, reuse and recycle post consumption beverage cartons to be processed into corrugated roofing sheets. The recycled roofing sheets are then used for the “Phuen Pung Dai” Princess Pa Foundation (part of the Thai Red Cross Society) to build shelters and homes for those in need such as victims of natural disasters, including floods throughout Thailand. BJC participate with the project through Big C Hyper-mart stores, promoting the program to increase public participation through offline and online channels. In addition, Big C provide donation box at over 140 Big C branches nationwide to collect the cartons.



In 2020, the recycled roofing sheets were donated in various provinces across Thailand, as follow 1,500 sheets to Ubon Ratchathani, 30 sheets to Pathum Thani, 70 sheets to Bangkok, and 60 sheets to Nakhon Ratchasima. Recipients include schools, communities, and temples.

Find the nearest Big C with donation box here <https://www.facebook.com/Thaigreenroof/photos/pcb.4028102860543638/4028099207210670/?type=3&theater>



## MODERN RETAIL SUPPLY CHAIN

Modern retail supply chain represents the largest operation of BJC's, consists of both fully integrated physical and online store formats, offering, packaging and distributing modern retail products and services under the Big C brand and other subsidiaries to customers nationwide. Due to the nature of the supply chain which operates within the food industry, the modern retail value chain significantly generates diverse negative impacts to the environment throughout the value chain. These impacts include the generation of food and food related waste from processes, in addition to other natural resources required in the production process. BJC recognize these negative impacts and aim to actively take accountability by improving internal inventory management systems, aiming to better manage the highly perishable nature of food products.

### Big C DISCOUNT PRODUCT PRICE

To ensure that customers have access to fresh and high quality food products daily, Big C dispose of unsold products daily. This is done through offering price discount of unsold products at all Big C stores. The discount is applicable for perishable products such as fresh food products, and ready-to-eat products, including bakery and box meals. This not only reduces the amount of food wasted daily, but also offers lower income customers access to high quality and nutritional food products.

## HIGHLIGHT

### BJC FOOD REDUCTION PILOT SCHEME.

In 2020, BJC collaborate with Scholars for Sustenance Thailand 'SOS Thailand', to create a platform for customers to share food-related ideas such as recipes to cook with leftover food products, significantly reducing food waste from all stores. Big C worked closely with SOS Thailand to collect unsold products at the end of each day to be processed into meals for needed communities of Bangkok and Phuket. At present, there are over 8 Big C stores in Bangkok and Phuket participating in the pilot program, with plans to expand participation from other branches in the near future.

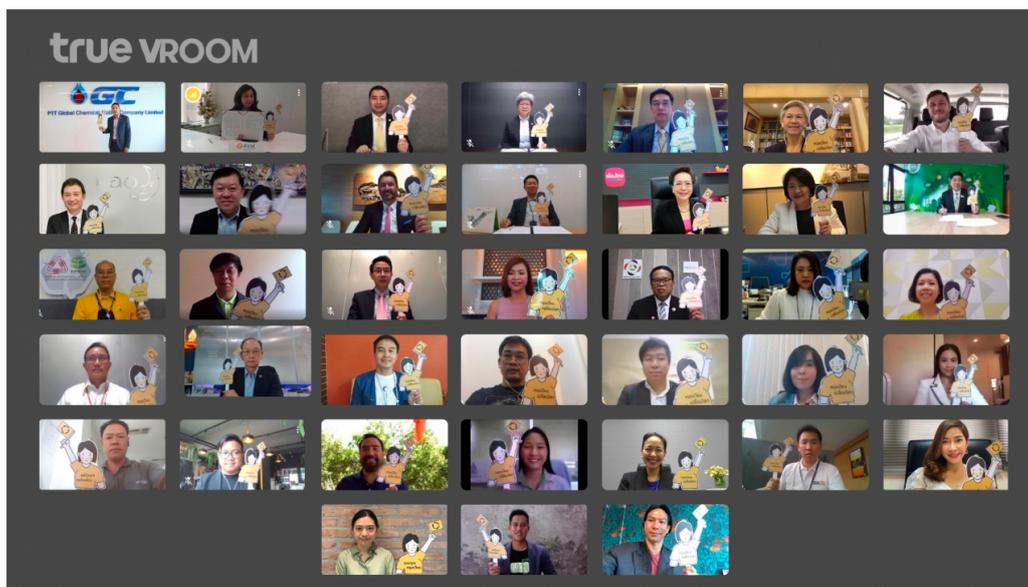


# POST-CONSUMPTION

To manage waste generated from post consumption and promote a circular economy within Thailand. On October 27<sup>th</sup>, 2020, BJC, in collaboration with the Thailand Responsible Business Network (TRBN) joined hands with over 38 partners, committing to the “Rotate the World” project aiming to help private companies in the Thai capital market to implement and improve waste management process to achieve tangible changes.



Participating companies agreed to collect, clean and utilize at least 500 tonnes of recyclable materials starting from December 1<sup>st</sup>, 2020 to December 2021.



# WATER AND WASTEWATER MANAGEMENT



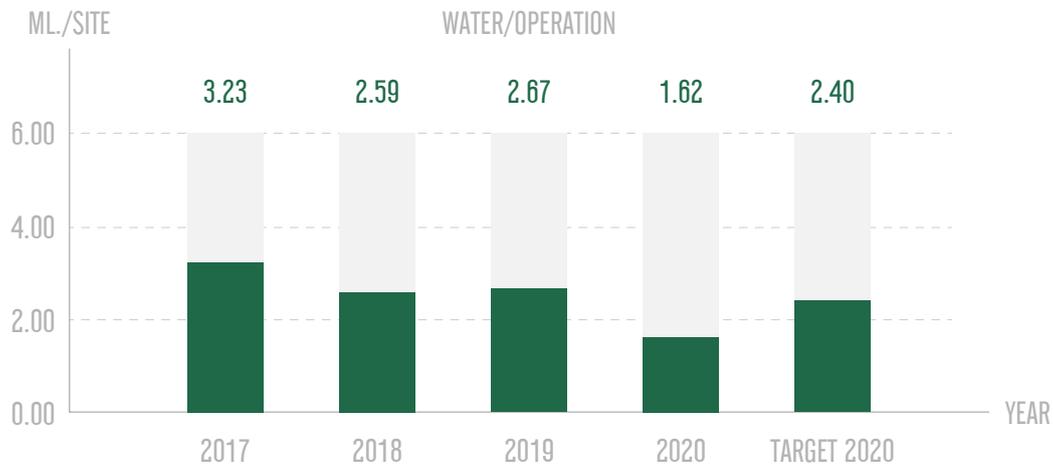
Confronted with intensified competition over the 3% of fresh consumable water resource available on the planet, the effects of water crisis faced by humanity are becoming more extreme, due to unequal distribution of water resources, and effects of climate change, increasing the unpredictability of water availability in different geographic locations. This crisis is further intensified in recent decades by increased water demand from industries, increasing operation activities and productions to meet with increasing consumer demands, pushing water management to be one of the most significant global risk the world faces, as cited in the Global Risks Report 2021 by The World Economic Forum\*. Consequently, effective water and wastewater management is an integral criteria for a sustainable business operations, and pivotal to conserve the planet's finite water resource available. BJC wholeheartedly understand the importance and urgency to effective water and wastewater management, and have put into action, distinct programs to control BJC's quality and quantity of water withdrawal, consumption and discharge, to prevent and mitigate environmental and societal impacts related to water in surrounding areas.

## WATER WITHDRAWAL, CONSUMPTION AND DISCHARGE AT BJC

Through BJC's business operations, BJC is dependent on the availability of water resources, since BJC's supply chain operates within multiple sectors, greatly amplifying BJC's negative impacts from a water resource shortage on BJC's value chain. To minimize these negative water-related impacts caused by business operations, BJC have developed customized projects to improve water withdrawal, consumption, and discharge, committing to utilize and consume all natural resources, such as water in a responsible manner throughout all operations, customized to meet the unique requirement of each supply chain. This commitment is evident in the adoption of the corporate wide Environmental Policy, developed by the centralized Sustainability and Risk Management Department, implemented by the SHE department at each facilities, which utilizes the centralized policy as a foundation to develop their own Environmental Policy to fit each business unit's needs. The policy is then applied through a comprehensive analysis of BJC's water footprint, which aims to better understand BJC's water withdrawal, consumption, and discharge from operations and the entire value chain, and set ambitious target to reduce water, consumption per operation site by 10% from 2019.

\* [http://www3.weforum.org/docs/WEF\\_The\\_Global\\_Risks\\_Report\\_2021.pdf](http://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2021.pdf)

## WATER MANAGEMENT DASHBOARD



Remark: operation = total branches of big c (exclude franchise) + total factories in country + Warehouse + Headquarter

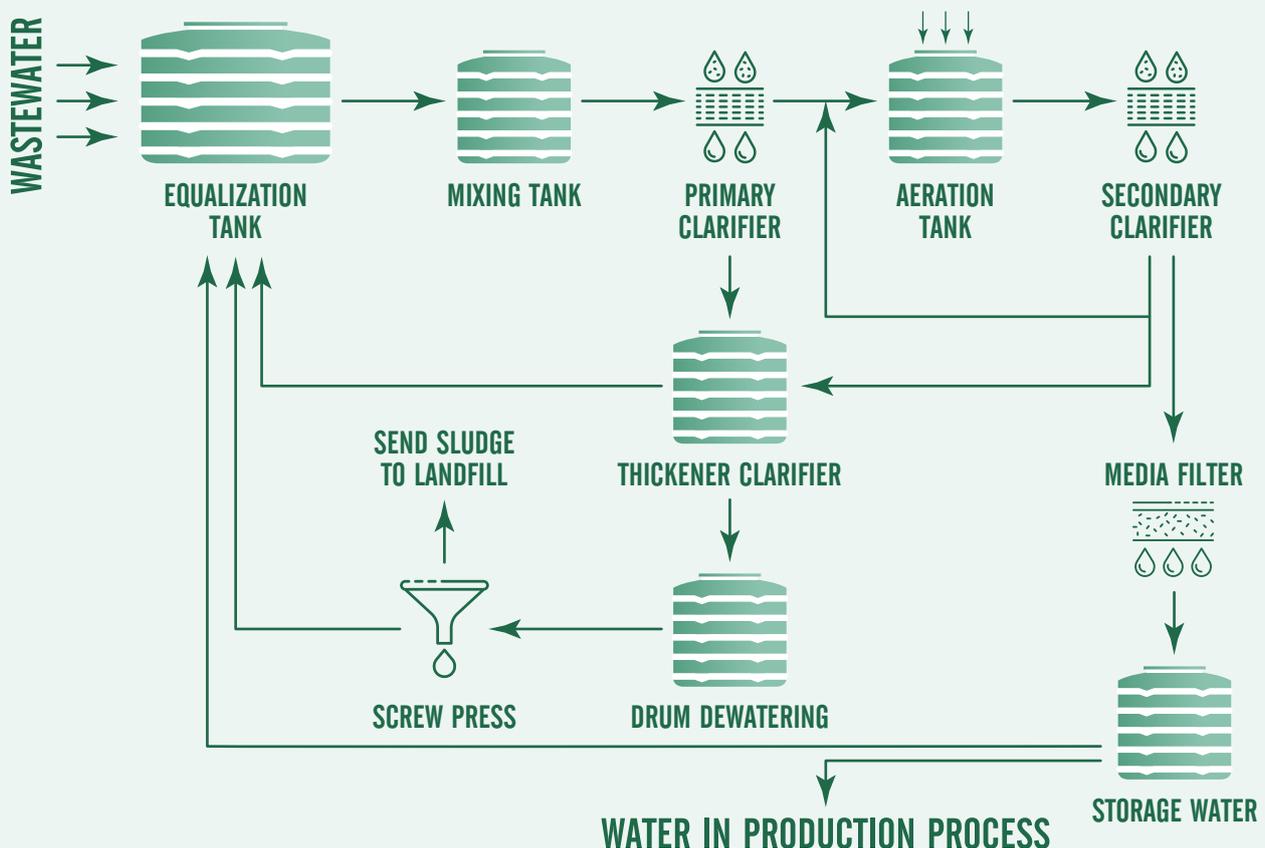
The analysis are conducted at all operations, with emphasis on higher water risk operations, with production and manufacturing activities. Outcome from the analysis are presented to relevant business unit head for analysis enabled accurate identification and development of appropriate water controls and initiatives to reduce, reuse and recycle water through innovative programs, leading to reduced negative impacts to water resources in surrounding areas, protecting local ecosystem, biodiversity and communities, promoting sustainable resource consumption throughout the value chain.

INDICATORS	2019	2020
Total Water Withdrawal (All areas)	11,090.85	9,756.76
• From Surface Water Source	76.26	13.91
• From Ground Water Source	182.99	179.00
• From Third Party Source	10,831.61	9,563.85
Total Water Discharge (All Areas)	7,984.70	7,421.15
Water Consumption (All Areas)	3,106.15	2,335.61

## 1. WATER RISK AND IMPACT ASSESSMENT

To assess water-related risks and foster awareness and effective management of water-related risk throughout all operations, BJC integrated water-related risk considerations such as flooding and water stress into the corporate wide strategy, driving BJC to actively identify potential water-related risks regarding water in different operating locations. Assessments are conducted through two primary approach. For operations with production and manufacturing activities, water-related risks are assessed under compliance with international standards such as ISO 14001:2015, while other operations such as headquarter and office based activities are assessed by the internal audit department, in accordance with internal standards, based on ISO 14001 criteria. To accurately identify operations located in water stress areas, BJC employs the open source data tool Aqueduct Water Risk Atlas, developed by World Resources Institute (WRI) to identify areas of water stress where suppliers operate, mapped by inputting BJC supplier locations into the tool. Assessment results enabled BJC to develop a comprehensive Business Continuity Plans (BCP) which emphasis on the efficient management and actions during flood and drought situation, to ensure business resilience during different situations. Furthermore, assessment results permits BJC to determine the overall impacts water-related risks impose on operations. In 2020, as a result of the analysis of water stress areas through the use of the Aqueduct Water Risk Atlas data tool, BJC have identified water stress areas for own operations, and suppliers operations accordingly, evidencing BJC’s commitment to actively monitor the use of water resources, to ensure sufficient availability to surrounding society and environment. In-depth results are available on the company website.

## BJC WATER TREATMENT PROCESS



## WASTEWATER MANAGEMENT PROJECTS

BJC consume water from various sources, depending on the accessibility and availability of water resources in each locations. These water sources include municipal water, which is the primary source and underground, consumed at factories and some upcountry Big C Stores. Recognizing the impacts of effluent discharge from operations such as factories on surrounding ecosystem and communities, BJC is committed to continuously monitor water quality to ensure that all water discharge from operations are treated in accordance with national best standards. To uphold this commitment, BJC have developed an internal wastewater treatment procedures which provides clear outline guide to wastewater treatment prior to discharge in accordance with relevant natural resource industrial regulation best-practices. BJC emphasis compliance with the most stringent industrial best-practice regulations, such as the Ministry of Industry’s water discharge regulations. This includes periodically reporting and monitoring water quality, and quality of effluent treated by the internal wastewater treatment systems. These are conducted by external inspectors certified by the Department of Industrial Work. To accurately implement relevant standards at each facility, an environmental supervisor are trained and certified in accordance with the Ministry of Industry’s requirements and the Thai Environment Institute to monitor the properties of treated wastewater to ensure that it is safe for discharge into municipal wastewater treatment systems for additional treatment, or reused within the facility such as cleaning for watering green spaces.

### RECYCLE WATER MANAGEMENT AT BJF

Since an operation site of Berli Jucker Food Co.,Ltd. (BJF) Is located in a water stress area within Thailand, special attention is given to water management practice, to reduce consumption and preserve the limited water resources available in the area. BJF’s primary water consumption steams from the processing of potatoes, one of the primary raw materials used in a variety of snack products BJF produced. Water are used in three stages of the potato processing as follow.



To minimize wastewater, water from washing process is filtered through specialized filter system and reused in the peeling and washing process.

## SUSTAINABLE WATER MANAGEMENT AT TGI

To prepare for the increasingly unpredictable weather and rainfall pattern, in addition to the drought warning forecasted by local government, Thai Glass Industries PLC (TGI) implemented projects to improve internal water consumption and discharge to minimize water consumption and increase water efficiency. Projects include upgrading water systems through improved monitoring equipment such as piping systems, water pumps, and sludge treatment pond, reducing the facility dependency on municipal water sources.

In 2020, to accommodate for the increased circulation of reused treated wastewater, TGI increased the storage capacity of on-site wastewater storage tanks enabling the facility to increase utilization of wastewater for various projects. The upgrade results in an increase capacity of on-site wastewater storage from 1,526 m<sup>3</sup> in 2019 to 6,432 m<sup>3</sup> in 2020. Beyond increasing water storage capacity, TGI also conduct repairs of furnace under the BP2 furnace major repair project, to increase furnace efficiency, which in turn, reduced water consumption. The repair resulted in 1,541 m<sup>3</sup> per month, equivalent to 5,912 cubic meter annually.

Prior to reusing wastewater throughout the facility for productive purposes, all wastewaters are treated in accordance with applicable safety standards including the Ministry of Industry sewage control standards for factories 2017. The quality of treated wastewater are monitored twice a month, ensuring water quality safety. The improved water storage system supplies reuse water to utility machines throughout the facility, enabling TGI to reduce an estimate of 4,000 cubic meter per year.

Finally, to control the emissions of cullet dusts to surrounding communities, TGI installs water sprays over the cullet reserves to periodically spray treated waste over the cullet to prevent dusts from flowing to surrounding communities. This reduces the consumption of municipal water by 2,700 cubic meter per year, equivalent to 45,900 baht a year.



SPRAY WATER OVER

## REDUCE WASTEWATER DISCHARGE PROJECT

In 2019, Thai Beverage Can Ltd., installed the reverse osmosis system, which recycles wastewater generated within operations for other purpose within the facility including cooling tower, to mix chemicals at wastewater treatment plants, gardening and other domestic objective. In 2020, TBC continue to improve the reverse osmosis system to increase efficiency.

YEAR	2019	2020
Total Water Discharged	220,949m <sup>3</sup>	172,320m <sup>3</sup>
Total Water Reused	6,703m <sup>3</sup>	640m <sup>3</sup> *

- Figure January (Systems is non-operational from Feb - Dec 2020)



## ZERO-WASTEWATER DISCHARGE AT CPC

Following a ‘Zero-wastewater Discharge’ commitment at Bang Plee Facility in 1988, in 2020, Berli Jucker Cellox Ltd (CPC) continued to implement initiatives to achieve the commitment, through development of new engineering approach such as installed Disc filter system instead Sand filter system to maximize freshwater recovery and minimize generation of wastewater from operations. The installation saved both Prachinburi Facility and Bang Plee Facility over 552,418 cubic meters of water consumption, equivalent to a total of 8,706,112 baht.



## REUSE WASTEWATER

Rubia Industries Limited (RIL) initiatives to reuse wastewater for other internal purposes within the facility include.

**Organic compost catalyst:** RIL changed disposal method of lye solutions, a by-product of soap boiling process which has a high alkalinity level, through composting into soil conditioner instead of incineration.

**Reuse wastewater:** RIL reduce water withdrawal by reusing wastewater for domestic purposes around the facility, including using wastewater for cooling water, wash floors surrounding the premises and gardening. Finally, to reduce water consumption from washing mixing bowls, RIL improved **production planning schedule**, to continuously product products with similar ingredients, reducing the washing frequency of mixing tank and equipments. This reduced the volume of water discharged by 4,636 cubic meter, equivalent to 74,000 baht, while production productivity increased by 1,178 tonnes or 4.7% from previous years.



## EXTERNAL COLLABORATIONS

To protect local communities, BJC have on-site emergency response team at each facilities to regularly monitor wastewater pathways and quality to ensure that no contaminants are present in discharged treated wastewaters.

In addition, to protect local communities surrounding operational facilities, BJC regularly engages with community representatives to listen and address concerns related to wastewater. Furthermore, all local communities can also voice their concerns through the various Grievance channels and communication channels BJC has established, such as websites, and telephone, which are available at all facilities. Communities can also directly voice concerns to the human resource department or environmental committee at each facilities or to relevant government authorities. The departments is accountable to record and mediate concerns raised accordingly.

As a result of the transparent and regular communication with surrounding communities, BJC did not receive any substantial complaints in 2020.

# PACKAGING MANAGEMENT



Through continuous economic growth and prosperity, discerning consumers are making new purchases of products and services to meet their daily needs. Almost without exception, these products and services are offered in a form of packaging, such as plastic, wood/paper fiber, metal, or glass, to protect the contents in the most optimum form. These daily purchase have results in the generation of packaging waste, beyond a sustainable level for companies to manage efficiently, impacting the environment, society and economy. As consumers expectations evolve, there are a greater demand for companies to make good packaging decisions, such as increase use of recycled materials, or minimize waste, making sustainable packaging management an issue of vital importance to all companies.

Due to BJC's core operations within the packaging industry, the production and consumption of materials such as plastics, glass, and metal for packaging is inevitable. However, the majority of these are often recyclable, thus BJC prioritizes measures to reduce the provision and consumption of non-recyclable packaging through the sustainable packaging management. Disregard to such practice could result in harmful damage to products sold, brand reputation and future customer sales.

Since the outbreak of the Coronavirus (COVID-19), customer's expectation for packaging have shifted, leading to sharp decline in demands for certain types of packaging, while accelerating growth for others. BJC recognise this shift as an opportunity to implement and foster sustainable packaging management, to reverse the impact of packaging on the environment over the decades, building a more resilient and sustainable future.

To mitigate the issue of packaging, BJC have established the corporate wide **Packaging Policy**, which strives to minimize the negative impacts of packaging on the environment, society and economy, providing support for a more sustainable business practices. The policy was developed in accordance with the United Nation's Sustainable Development Goals, ensuring that the policy can make a tangible contribution to reducing packaging impact, while fostering a more sustainable production and consumption approach.

## BJC'S SUSTAINABLE PACKAGING COMMITMENTS:



Optimize packaging design to suit stakeholder's needs and requirements and is environmentally friendly;



Support efficiency production and use of packaging;



Reduce single-use plastics and encourage reusable packaging;



Promote the recycling programs (e.g. Tack-Back System) to reduce "throw-aways";



Support the use of bio-based, biodegradable and recyclable packaging;



Support initiatives to recycle materials back into the production cycle;



Promote and support refusing resources which may deteriorate or pollute the environment

BJC recognize the impact packaging management has for stakeholders such as, customers, employees, investors, suppliers, business partners, community, and society, which have different packaging expectations. To manage packaging, BJC assess existing processes throughout the value chain, to identify BJC's baseline packaging footprint to develop setting stretched targets as milestones to achieve in short and long-terms, which includes, reduce waste from packaging production by switching to biodegradable and recyclable compostable plastics or items, supervises and educates through engagement with employees and stakeholders in eco-friendly packaging to foster sustainability. In-depth results of BJC and Subsidiaries' Packaging Management Targets are available on the company website.

A valuable contribution from the Research and Development (R&D) Department of each facility is necessary to accomplish the established goals. The Research and Development Department is actively responsible for the development of packaging requirements across new products, identify trends and lead packaging improvement initiatives to achieve cost savings as well as minimizing negative impacts to the environment.



For instance, at Thai Glass Industries PLC (TGI), the following three teams collaborate to support performance improvement of packaging line.

- 1) The Innovation and Research Development Team is responsible for progressing the glass packaging to sustainable packaging innovations and alternatives,
- 2) The Glass and Raw Material Team is responsible for measuring and calculating the quality of raw material and setting the composition mixture, and
- 3) The Quality and Research Development Team conducts the final inspection of the produced packaging.



BJC places great importance on creating value for all relevant stakeholders with environmental protection and packaging waste management which impact the functioning of ecosystems in the long-term.

Hence, BJC committed to use resources by considering environmental sustainability, reducing negative environmental impacts, conserving the balance of the ecosystem and optimizing the consumption of natural resources, in alignment with BJC's packaging commitments are determined.

## 2020 HIGHLIGHTS:

BJC has engaged with public sector, private sector and local communities in many schemes and activities to tackle packaging waste issues.

### 1. OPTIMIZING PACKAGING DESIGN

#### "PACKAGING REDESIGN" AT RUBIA INDUSTRIES



Rubia Industries Limited (RIL), prioritizes the well-being of society and the environment, aiming to operate sustainably. To achieve this, the company has comply with the international standard ISO 14001, since 2014, and have continuously developed new products, services and management approach to reduce negative impact from operations towards society and the environment. In 2020, to minimize the growing contamination of plastic packaging on the global ecosystem, BJC has developed new products under the Parrot and dmp brand to be 100% of plastic packaging for all products to be reusable, recyclable, upcyclable, or compostable by 2025.

To optimize packaging design, RIL has redesigned the plastic bottles of Parrot and dmp soap brands. The newly designed bottle of Parrot Shower Cream can contain either 450 ml. and 500 ml., while the new bottle of dmp products can contain either 400 ml. and 480 ml. All new bottle design are completed in 2020 and consumption of High-Density Polyethylene (HDPE) plastics will be reduced by approximately 60 tonnes by 2021.

Moreover, the redesigned bottles contain less High-density Polyethylene (HDPE), meaning less plastic is used in manufacturing. At the same time, the physical properties and function of the bottles are still at best quality for consumer's convenience. In addition, to improve production efficiency and reduce operation waste.



## "NARROW NECK PRESS AND BLOW (NNPB)" AT THAI GLASS INDUSTRIES



BJC Glass Installed the Narrow Neck Press and Blow (NNPB) system in BJC Glass 2008, with the purpose for reducing energy consumption in manufacturing and developing a more Eco-friendly glass bottle. This system assists the manufacturing of lightweight glass bottles with superior and consistent dimensional control. Derived from this endeavor, the total weight of TGI glass bottles reduced was 13,974 tons, saving more than 42.62 million Baht of raw materials in 2020. The system, thus can minimize negative environmental impacts and support TGI to achieve the sustainable development goals.

## 2. REDUCING AND REFUSING SINGLE-USE PLASTICS

### "BAG FOR LIFE" AT Big C

Plastic bags have been creating negative impacts to the environment for years because they hardly decompose and they release toxic substances. In recent years, the world has been taken this issue more seriously and consumers start to make changes by adopting a more environmentally friendly lifestyle. Since 2015, Big C has responded to the issue by signing a Memorandum of the Understanding (MOU) with other leading retailers in Thailand in order to reduce the consumption of plastic bag, to increase public awareness and to tackle the issue by proactive measures.

Big C and other leading retailers in Thailand stop giving out plastic bags for free at the beginning of 2020, giving Thailand a great start on a green resolution. Moreover, in collaboration with King Corporation Group Co., Ltd., Big C has launched "Bag

for life" campaign, where Big C produces eco-friendly bags under the 3Rs principle (Reduce-Reuse-Recycle) and sells them at non-profitable prices. The eco-friendly bags are produced from 80% recycled plastic pellets with a thickness of 80 microns, allowing the bags to be reusable and can be returned for recycling. The bag at Big C costs 3.5 Bath for a medium-sized bag and 5 Bath for a large-sized bag. The campaign starts on May 7<sup>th</sup>, 2020.

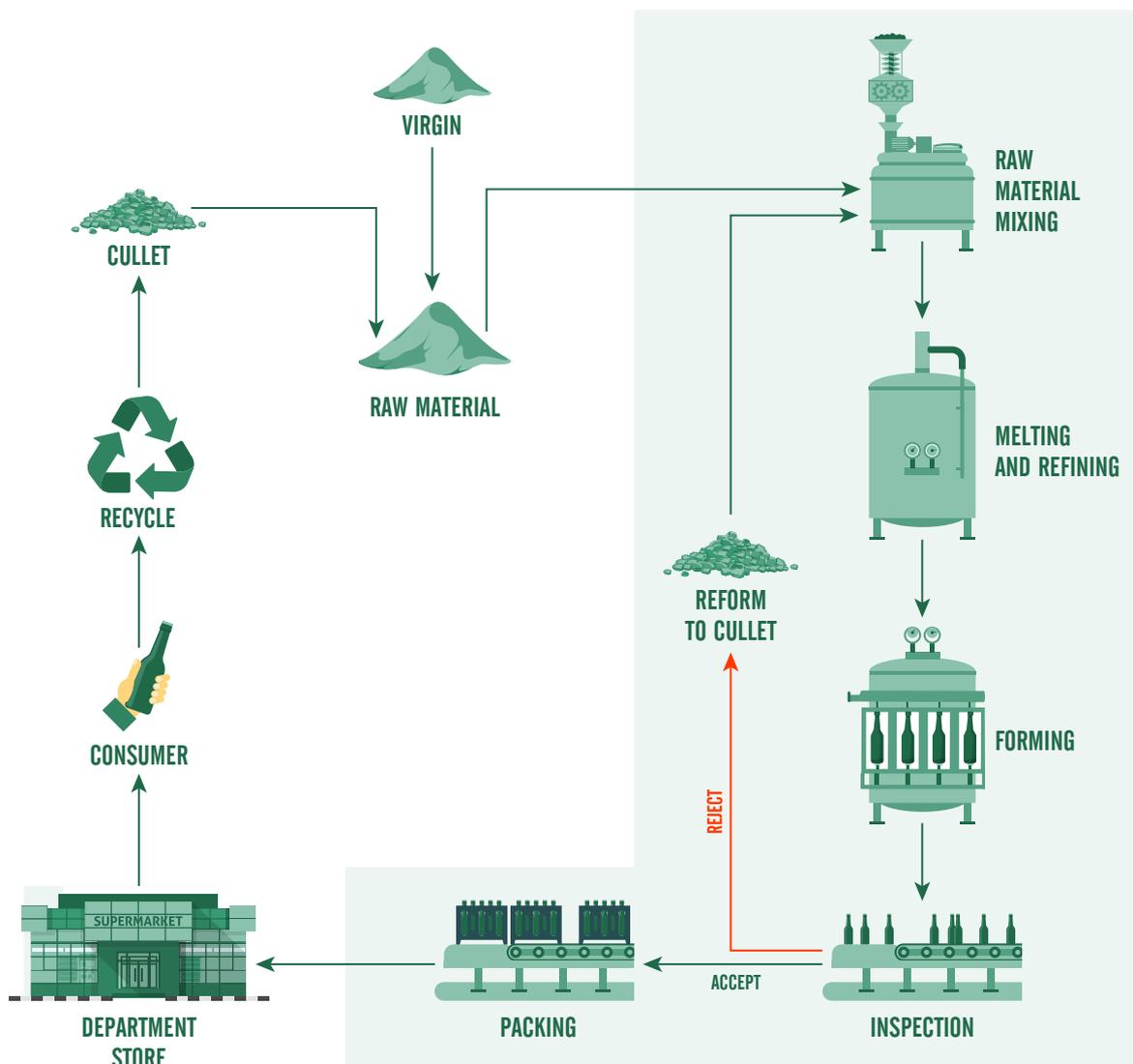


## CUSTOMER EXPANSION TO SOFT DRINK MARKET AT THAI BEVERAGE CAN LTD. (TBC)

BJC recognise the growing number of environmental conscious customers in recent years. In response, since 2019, Thai Beverage Can Ltd. (TBC) has collaborated with various business partners to develop packaging for everyday beverage such as soft drinks and canned water to replaces the use of plastic bottles, which are more costly to recycle and product. In 2020, TBC has expended customer base through developing packaging cans for juice, coffee, soy milk, and vitamin supplement beverages, generating approximately 700 million baht, meeting the demands of eco-friendly customers.

### 3. RECYCLING

#### "CLOSED-LOOP PRODUCTION" AT THAI GLASS INDUSTRIES

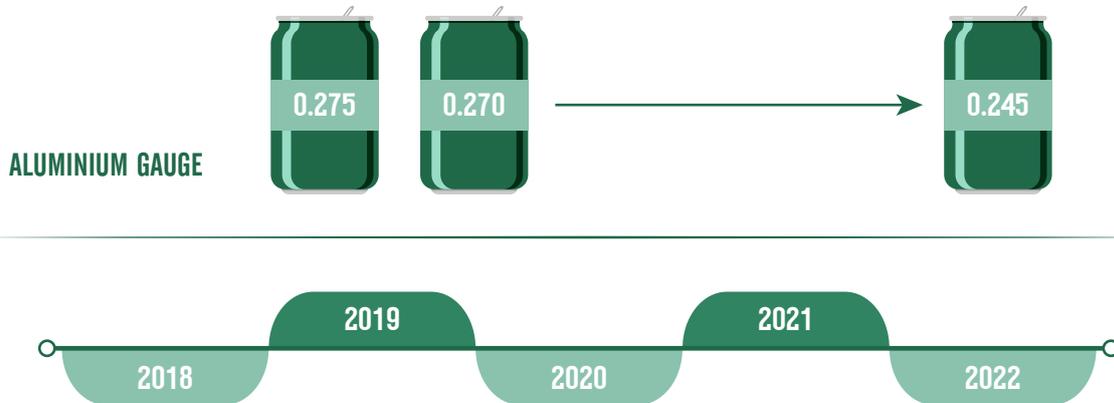


Glass bottles are produced from natural and abundant raw materials. This includes silica and sand (major component), limestone (for durability), soda ash (for easier melting), and other additives that can optimize processing properties. Glass is a sustainable, fully recyclable material in close loop over and over again, which provides great environmental benefits. Under the closed-loop production system, which is based on the recycle of glass bottles, BJC has applied this system on the precondition that the glass scraps meet specifications and stringent quality requirements.

In consequence, Thai Glass Industries (TGI) focuses on the process of recycling glass through its production under a closed-loop production system and to reduce the impact on the environment. Glass bottles can be classified as one-way bottle and returnable bottle. Recycled glass bottles are inspected and segregated by color, i.e. amber (brown), flint (clear), and emerald green (green) and crush glass bottles into tiny pieces to recycle for circulating back to the production process.

As of 2020, TGI produced 925,000 ton of glass containers to markets. Approximately 53% of recycled glass bottles was used as a raw material for the glass container production.

### “INCREASE RECYCLE CONTENT OF ALUMINIUM CANS” AT THAI BEVERAGE CAN



Aluminium can is commonly used in packaging for both alcoholic and nonalcoholic beverages, which can create significant impact to the environment. Thai Beverage Can Limited (TBC) has been continuously optimizing aluminium can packaging in order to minimize negative environmental impact. In 2020, TBC was able to fully exploit the indicated recycled content of aluminium can from 73%. By 2021, TBC aims to increase recycled content by 78%. Further, TBC also cooperate and encourage aluminium coil suppliers to increasing more recycled content as far as technologically feasible to minimize the use of virgin materials and resources, promote a completely closed-loop recycling of aluminium ensuring that there will be no aluminium can residue left in the environment, as well as to lessen the amount of toxic waste in aluminium can manufacture.

## “THAILAND SUSTAINABILITY EXPO 2020 (TSX)”



TSX is an event that combines sustainability stories, activities and projects from public and private organizations emphasizing the importance of networking and action that can have tangible positive impacts. TBC, one of the companies that focus on sustainability, takes part in making canned water as an option to help reduce beverage packaging waste as it can be recycled infinitely.

## “THAIBEV X TBC CAN TO CAN” PROJECT

As BJC recognizes the need for high quality recycling in order to increase circularity and recovery of materials from waste, TBC participated in the “Can to Can” Partnership Project. Used beverage cans collected through the “Can to Can” program are then recycled as a raw material for producing aluminum sheet packaging. Within the year 2020, more than 1,256 tonnes of aluminum cans have been retrieved, translating to 89 million cans. This closed-loop cycle was achievable through the cooperation of direct and indirect suppliers, aluminum sheet manufacturers and partnering companies. The Project successfully promotes segregation and collection of recyclable beverage packaging to reduce waste and environmental impacts. On the other hand, benefits from this Project include generating income for small-scale itinerant waste buyers and reduction of energy consumption required in the production process 95 percent of energy consumption and carbon emissions can be reduced when using recycled materials in comparison to processing new aluminum.



# TALENT ATTRACTION, RETENTION, DIVERSITY AND EQUAL OPPORTUNITIES



Talented, Skilled and professional diverse workforce are the foundation to any company's value creations process ideas which contribute to the greater competitive advantage and long-term values creation for BJC's stakeholders. Due to continuous and rapidly changing consumer demands, many companies are required to develop new products and services to serve customer's requirement. To achieve this, companies need to attract and retain diverse and talented collection of employees to in order to increase business competition through the provision of equal opportunity for qualified candidate, regardless of gender, age, race, or other individual characteristics, allowing companies to attract talent people effectively.

In 2020, as a consequence of the Coronavirus (COVID-19) outbreak, both the labor market and business operations has undergone significant changes to adapt to the new situation. In response, companies are investing more resources to implement new working arrangements, such as working at home, flexible working hours, and online conference meeting to meet the expectations of the new labor market and ensure that an individual remains with a company for as long as possible, allowing business continues to grow and remain resilient during and after the outbreak.

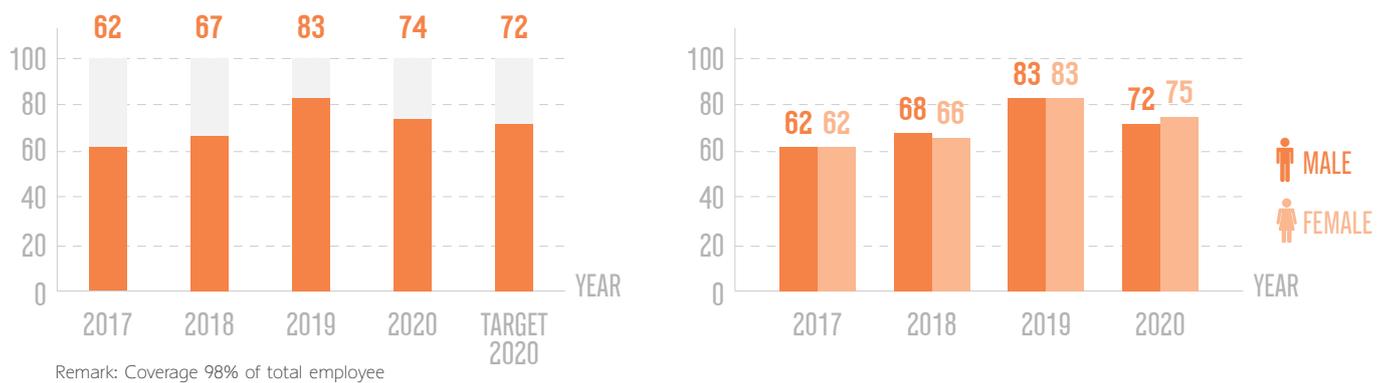
BJC is aware of changes to the labor market and business operations impacted from the COVID-19 outbreak. As such, BJC have established an effective **Talent Attraction and Retention Strategy** to attract and retain knowledgeable, and skilled employees within BJC to meet customer expectations through new products and services development. The strategy also serves as a channel for BJC to engage with valued employees, to meet the committed company value to be a "Happy Workplace" for all employees. This is conducted through an emphasis on employee benefits such as Savings cooperatives, Offer financial rewards, and Collaboration with educational institutions, creating positive engagement experience and reduces overall turnover rate, enabling BJC to retain high potential employees that foster business efficiency amid the severe competition of businesses.

In response to changing labor market expectations, BJC has developed distinct talent attraction and retention programs including succession plan, employee benefit, online training programs and acquisition, and financial reward to meet employee expectations, reducing turnover rates. In addition to providing compensation and promote employee well-being through monetary and non-monetary benefits, BJC also strives to foster an inclusive management culture in which all employees are treated equally and respectfully, with equal access to services and career opportunities, constructing an unbiased and diverse corporate culture within BJC. Finally, to increase candidate pool from the labor market, BJC have upgraded the online recruitment system, enabling potential candidates to apply application conveniently.

## EMPLOYEE BENEFIT

BJC provides long-term incentives to employees below senior management level in the form of employee stock option program and issuance stock warrants, with the objective to motivate employee to strive for the best performance and support outstanding performing employees to remain under BJC's employment. Since 2018, employees below senior management level applied to the program, emphasizing BJC's commitment to provide additional incentives to motivate long-term loyalty.

## EMPLOYEE ENGAGEMENT



### EMPLOYEE ENGAGEMENT (% OF ACTIVELY ENGAGED EMPLOYEES)

To evaluate employee satisfaction, BJC conducted a twelve-question engagement surveys, which evaluates engagement about job function and BJC. The result shown that employee satisfaction ranges from 4 – 5, indicating the satisfaction and engagement of employees is fairly high with management support, teamwork and personal growth in BJC.

## EQUAL OPPORTUNITY IN WORKFORCE

Guided by the Human Capital Management approach, BJC have always prioritize fostering workplace equality, striving to treat and provide all employees, regardless of gender, age, race, or other individual characteristics, with, equal opportunities. For this reason, by recruiting a diverse team of skilled and knowledgeable male, female and others individuals, BJC has received advantages from expansion of employee engagement and innovation. This strategy specific experiences to team, to improve productivity and motivation levels among employees

In 2020, the ratio of BJC's male and female employees are 40.37% and 59.63% respectively, evidencing BJC contributed to promote female employees into junior and top management positions. In addition, BJC consistently offer equal remuneration among genders at both management and non-management levels by evaluating related factors other than gender, such as performance, previous employment, knowledge and competency. In order to contribute effective and appropriate performance evaluation of employees in all level, BJC is committed to developing an effective individual performance appraisals through diverse method including 360-degree feedback which considers feedback from the employee, their subordinates, colleagues and supervisors, are consolidated to form a comparative ranking of the employees. By 2020, BJC has evaluated employees performance in the following proportion;

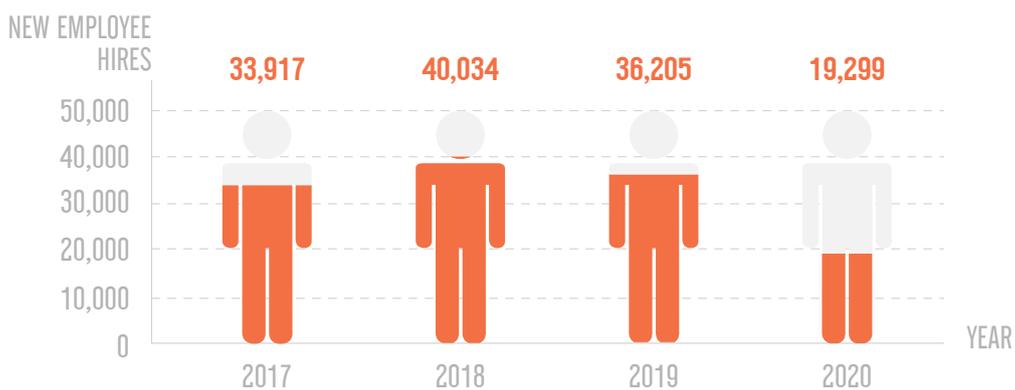
TYPE OF PERFORMANCE APPRAISAL	% OF EMPLOYEES
Management by objectives: systematic use of agreed measurable targets by line superior	100
Multidimensional performance appraisal (e.g. 360 degree feedback)	74.44
Formal Comparative ranking of employees within one employee category	100

The evaluation is commonly utilized for skill and behavior development purposes, assisting to encourage individual ability to serve skill needed in market.

## NEW EMPLOYEE FROM ONLINE ACQUISITION

To expand the reach of potential recruits, and adapt to the ever increasing popularity and utilization of internet of things, BJC has implemented and upgraded online recruitment platforms, increasing the opportunities of hiring talented employees, while reducing face-to-face interactions from the process, during the pandemic. The upgrade of online channels has proven successful, as 100% of all new employees in 2020, are recruited through online application. BJC has continued to initiate digital platform in recruitment system to attract skilled individuals appropriate for each job functions.

### TOTAL NUMBER OF NEW EMPLOYEE HIRES



## TURNOVER RATE

To evaluate the efficacy of implemented projects, BJC utilizes turnover rate as a primary indicator, reflected in the numbers as the table below;

	FY 2017	FY 2018	FY 2019	FY 2020
Total employee turnover rate	66.04	72.60	68.94	62.12
Voluntary employee turnover rate	49.92	58.11	58.78	46.23

The annual turnover rate in 2020 was around 62.12% across BJC, compared to the 68.94% in 2019. This success can be attributed to BJC’s corporate strategy, and implemented talent attraction and retention strategies, lowering BJC’s turnover rates.

In order to further reduce turnover rate and develop career progression, BJC has plans to support leadership program, encouraging talented employees to develop knowledge and skills regarding effective team management and positive criticism to improve subordinates’ efficacy. Furthermore, group’s session are organized to share knowledge, personal experiences to strengthen understanding of work processes. The plan also encourages special talents and individual working style of employees with the application of technological equipment to accomplish work completeness and effectiveness.

## PROJECT HIGHLIGHT

### COOPERATION WITH EDUCATIONAL INSTITUTIONS FOR TALENT ATTRACTION

#### MEMORANDUM OF UNDERSTANDING (MOU) ON WITH EDUCATIONAL INSTITUTIONS

The Memorandum of Understanding program has been implemented to support student scholarships and to provide educational opportunities for all level of students who qualified to work with BJC as student trainee. In 2020, two institutions has been cooperated and attracted qualified students for working together in the future as follows:



Signed Memorandum of understanding (MOU) with Faculty of Engineering, Khon Kaen University to create professional experience for students in engineering knowledge, developing engineering personnel and establish research program to exchange knowledge together.

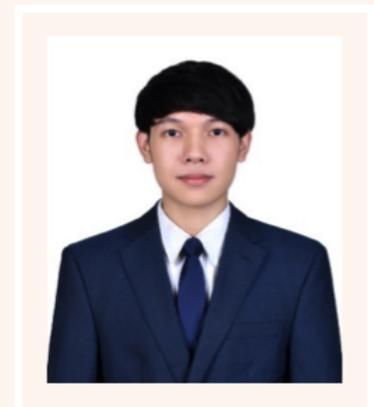


Signed Memorandum of Agreement (MOA) with Faculty of Law , Chulalongkorn University under program “Law for Society” by giving scholarships for internships abroad and in country ,enabling students to present the legal concept which can be applied in development and management through student’s idea in order to create integration strategy for retail business, promotion and extension of sustainable economic, community and environmental development.

### **STUDENT INTERNSHIP PROGRAM**

To encourage students to perceive real working experience, BJC has established programs to support student’s capability resilience to foster desirable skills in the labor market and current business’s operation. School administration, Internship and employment programs has been initiated to facilitate student experience as follows;

In 2020, internship program, included four students from Chulalongkorn University and Burapha University participated in BJC by corroborating of the Office of Vocational Education Commission, Ministry of Education. The objective of this program is to improve professional skills, soft-skills and hard-skills, inaccordance with the skills strategies for future labor market. BJC is committed to develop the skills needed by its workforce and to support educational and job opportunities in order to align with current businesses and grow together sustainably.



*“This is good to have the opportunity to be an internship student here as I gain additional perspective beyond studying law in terms of economic, social and environmental which is the principle of sustainable development and saw a wider picture of real working experience with good take care from senior in sustainability and risk management department”*

Mr. Jirapatch Piriyavisarut from faculty of law, Chulalongkorn University. A internship student in Sustainability & Risk Management department

## LONG SERVICE AWARD PROGRAM



BJC recognize employee loyalty through the Long Service Award Program, established since 2011. The program reward employees whom have worked with BJC for ten, fifteen, twenty, thirty and thirty-five years, to encourage employee's engagement. The award include financial rewards, which were awarded to 1,473 employees in 2020, including 671 for ten years, 293 for fifteen years, 174 for twenty years, 153 for twenty-five years, 171 for thirty years, and 11 for thirty-five years. The purpose of the project is to reduce turnover rate and to strengthen employees who have worked diligently and loyally with BJC over the decades.



## SAVINGS COOPERATIVES AT BJC

BJC has initiated the saving program since 1981 to encourage all employee level to save money, by providing attractive incentive returns. BJC wishes to ensure that all employees have enough savings to spend and live a comfortable life after resignation or retirement. The fund also provided a measure of financial assistance by enabling members to borrow money in emergency situations. Throughout 2020, there were 3,075 members with more than three billion baht in the fund with 7% of dividend return to employees. Employees of all levels, regardless of level of position or age, are given opportunity to become members and receive dividend annually. In addition, qualified employees who has knowledge of fund management are allowed to be a representative of the fund once received majority vote from others without any intervention from executives. The program also benefits employee who has unstable financial situation and supports them in accessing funding resource during the pandemic.

# HUMAN CAPITAL DEVELOPMENT



The ever changing customer demands have caused business environment to continuously and rapidly evolve. Modern customers are continuously seeking new and exciting products and services to meet their daily needs, elevating their quality of life. To keep up with these constant changes, companies must possess a collection of knowledgeable, skillful and diverse human capital resource to constantly develop new products and services to maintain its competitive advantage in the volatile business environment. For this reason, BJC have increase resource investment into an active human capital development program to train and educate the capabilities of existing human capital throughout BJC. This attention to human capital development also derives from a recognition that on average, the cost of hiring “the perfect” employees can be as high as 50 to 60 percent of their annual salary.

In 2020, an active human capital development program was further emphasized, due to the continued outbreak of the Coronavirus (COVID-19), presenting new challenges to hire new employees, due to the lasting impacts COVID-19 presents on the labor market and thus the Human Capital Development processes. As cited by The Conference Board in 2020, which focuses on how leading organizations around the world are reacting to the changing business environment in the context of their workforce, identifying qualified individuals will still be a key challenge, while work from home, more flexible working hours, and increased digitalized working environment trend will continue to increase from the global pandemic.

BJC acknowledge the changes in the global labor market and the impact COVID-19 presents, and have developed short and long-term human capital development strategies to manage these changes. The strategies included implementation of various training programs which aim to equip employees with skills needed to ensure continuous business growth and resilience, during and after the pandemic. Human capital development programs also foster strong relationship between BJC and all employees. A lack of active human capital development programs may result in loss of competitive advantage against competition and increase employee turnover, from a lack of career development.

BJC implement an active human capital development through the **Learning & Development Activity Roadmap**, which provides a long-term knowledge, skills and competencies development strategies to guarantee that employees are able to remain competitive in the new business environment. The Learning & Development Activity Roadmap includes learning through work experience and learning from various methods and experts as well as web-based or online learning on HR application (AMPOS application and Microsoft Team) to achieve learning and development. The roadmap also includes a continuous monitoring and evaluation process, this is to ensure that each employee is able to achieve their fullest career potential, eventually, maximizing the BJC’s ability to deliver excellent products and services to the market.

To confirm that BJC develops human capital successfully, short-term and long-term targets have been set as an indicator for the achievement as follows:

## SHORT-TERM PERFORMANCE TARGETS FOR 2020

SHORT-TERM PERFORMANCE TARGETS	PERFORMANCE
Create 100% of sustainability knowledge and mindset training for new comers	100% Achieved
Execute up-skill and re-skill employee capabilities and performances by 80% of training session of training year plan based on our core values (CDSH) and corporate culture (WINNING)	100% training session (Achieved)

BJC constantly monitors and evaluates feedback from the employees regarding the development program, ensuring that all programs are effective and fully utilized. Depending on the training course, different evaluation methods are used, including providing questionnaires and assessment to measure how much they understand the content provided (i.e. pre and post-assessment). In addition, BJC also observes and records employee's performance and attitude after attending the training programs.

## LONG-TERM PERFORMANCE TARGETS FOR 2025

LONG-TERM PERFORMANCE TARGETS	TARGET
Enhancing digital learning culture to create life-long learning culture for employees	Provided digital learning at least 500 topic on AMPOS and provide at least one content every week
Customization of training course to suit diversity of employees	Provide training session at least 2 courses a year through online platform

In addition to Human Capital Development target, BJC also applied the following activities along the Learning & Development Activity Roadmap, in order to achieve the long-term performance targets for 2025;

1. Strong Leadership Programs for Sustainable Growth: BJC continues to carry out courses/programs focused on leadership skillset to improve thought and actions for stimulating positive change in organization such as leadership Program (3 development courses for BJC's management level leaders) and Store Leadership Development Program (3 development courses covering management level in Retail business).
2. Enhancing digital learning culture to create life-long learning culture for employees to re skill & up skill their capabilities. In doing so, BJC promotes digital skill set through online platforms e.g. online course, virtual classrooms, e-newsletters etc.
3. Customization of training course for the employee's diversity: BJC supports diversity principle by continuing to develop Individual Development Plan (IDP) that represent the learning preferences of each age group level (Gen Alpha, Gen Z, Gen Y, and Gen X). This strategy plan covers both internal and external trainings and practices.

After participating in training, employees are required to undertake follow-up activities in order to complete the program. To ensure that BJC achieves the determination to develop employees, aligning with personal competencies and organizational direction.

## 2020 HUMAN CAPITAL DEVELOPMENT HIGHLIGHTS

BJC’s Learning & Development Activity Roadmap comprises of various activities which have been developed and executed in accordance with BJC’s core values, corporate culture and the pandemic situation. Due to the fact that COVID-19 outbreak has forced working environment to be more agile, more flexible and relying more on technology. Thus, in 2020, Human Capital Development strategy has been implemented accordingly, emphasizing the resilience of technology transformation and special skills needed for sustainable growth.

### 1. BJC SUSTAINABLE DEVELOPMENT SERIES

BJC launched **BJC Sustainable Development Series as a Training Program** to create sustainability knowledge and mindset via training sessions in accordance with corporate sustainability strategy. The content includes Sustainable Development Goals, Code of Conduct, Human right, IT Security Awareness for all staff and especially new comers at all levels to create thorough understanding which will reduce risks of universal sustainability standard violations in business operations.

### 2. BJC-BIG C LEARNING AND CAPABILITY DEVELOPMENT

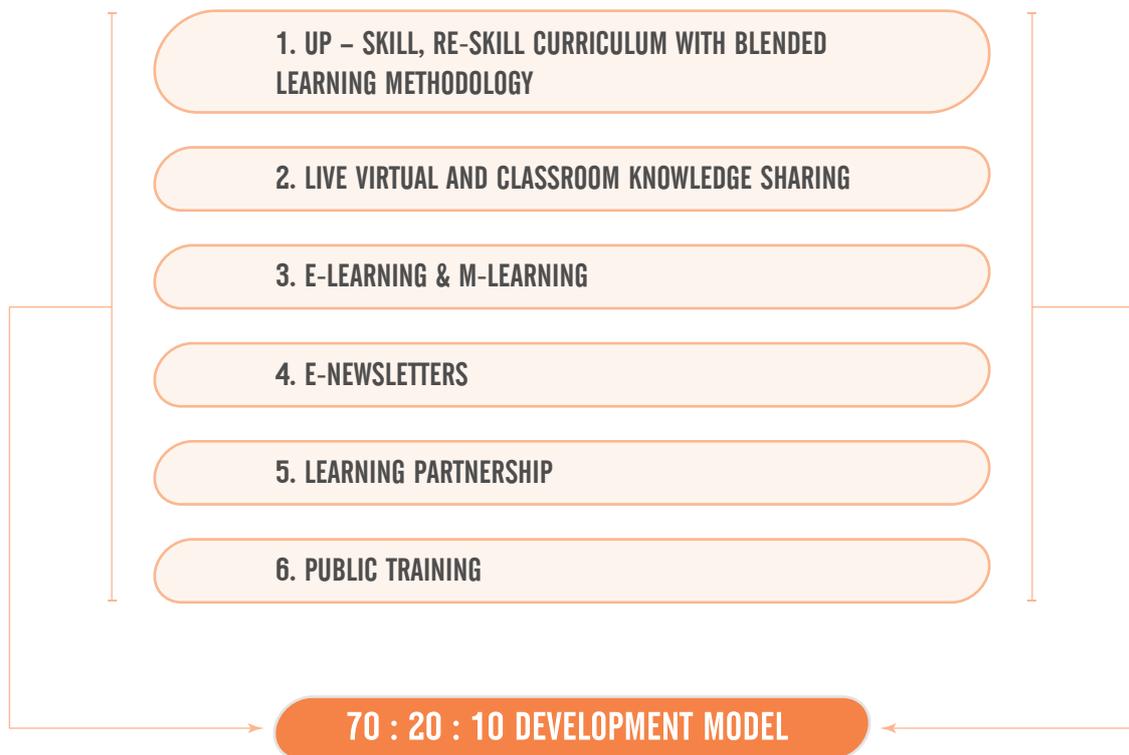
#### LEARNING AND CAPABILITY DEVELOPMENT BJC & BIG C UNIT STRATEGY 2019



BJC-Big C Learning and Skill Growth approach has been implemented, aiming to develop employees at all levels. The approach includes trainings and advancement services available to equip the employees with knowledge and skillsets to progress their BJC career. In addition, the trainings have been designed to deliver optimal rewards at each milestone of the employees' career path.

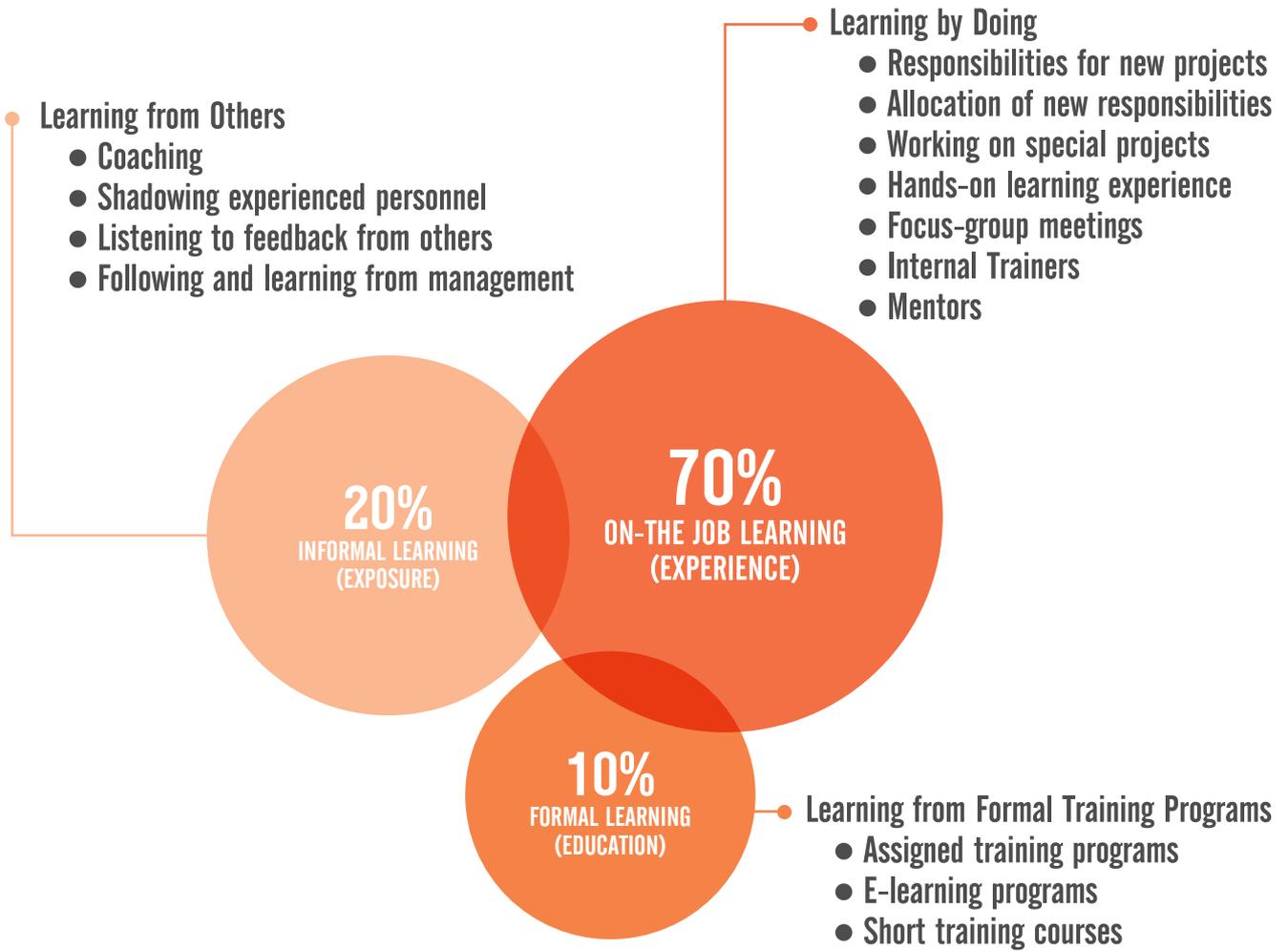
### 3. BLENDED LEARNING METHODOLOGY TO ENHANCE DIGITAL LEARNING CULTURE

#### LESS CLASSROOM, MORE ONLINE LEARNING



**Blended Learning Methodology** is an approach to BJC training and development that combines online materials and opportunities for interaction online with traditional classroom methods. It requires the physical presence of both instructor and learner, with some elements of learner control over time, path, or place. It promotes the development of digital technology skills through digital learning platform such as online courses, virtual classroom and e-newsletters. The approach has enabled all employees to continue having their training almost anywhere at any time during the COVID-19 pandemic.

## THE 70:20:10 MODEL FOR LEARNING AND DEVELOPMENT



BJC has adopted the 70:20:10 development methodology developed by Michael Lombardo and Robert Eichinger in order to combine different learning methods and maximize the effectiveness of training and development programs. Following the formula of optimal sources of learning, BJC has conducted 70 percent of training from job-related experiences, 20 percent from interactions with others, and 10 percent should come from formal training programs.



## TRAINING PROGRAMS OF THE BLENDED LEARNING METHODOLOGY COMPRISE OF THE FOLLOWING COURSES;

- **Knowing Your Company Better:** Tailored for new joining employees as part of BJC’s on-boarding process. The program was established to inform employees of our core values and culture.
- **Business Management:** Designed specifically to enhance competency in operating business including key courses such as strategic planning and execution, design thinking and business stimulation.
- **People Management:** Practical and effective decisions are made by competent and independent thinkers. This course is intended to promote employee’s soft skills such that they are able to communicate effectively, think strategically, and develop leadership skills, hence, building a stronger and talented workforce within BJC.
- **Task Management:** Aimed at improving project management skills for employees both at junior and senior management levels, in order to maximize their ability and efficiency.
- **Information Technology (IT) and Information Technology SAP:** Prepares employees for transitioning to the digital platform, BJC provides training on basic IT programs commonly used at the workplace, streamlining business operations and increasing BJC’s competitiveness in delivering excellent performance.
- **Requirement by Law:** In compliance with the local regulations, BJC ensures to provide all required training, including safety officer for management and supervisor levels, basic fire-fighting as well as first aid and basic life support.

### 4. SPACE BY CBS

SPACE by CBS is the co-operate project between BJC and Chulalongkorn Business School providing e-learning content by CBS with for BJC employee. In 2020, BJC continues SPACE by CBS Program and successfully conducts 2 batches which are 1) Innovation Management and 2) How to develop a sustainable organization

**SPACE by CBS**  
กลุ่มบริษัทเจซี และคณะพาณิชยศาสตร์และการบัญชี จุฬาลงกรณ์มหาวิทยาลัย (Chulalongkorn Business School) ร่วมกันพัฒนาหลักสูตร เพื่อส่งเสริมความรู้เป็นอาจารย์ประโยชน์แก่ประชาชนและบุคลากรทั่วไปที่สนใจผ่านระบบการเรียนรู้ SPACE by CBS โดยวิธีการที่มีความรู้ความเชี่ยวชาญจากกลุ่มบริษัทเจซี ดังนี้

**หลักสูตร Creativity and Innovation Management**  
โดย ดร.สุศักดิ์ วรรณะพาทุม  
VP-Quality & Research Development, TGI

**หลักสูตร How to develop a sustainable organisation**  
โดย คุณวิจิตร สุภาพ  
AVP-Sustainability & Risk Management, BJC

เรียนฟรี! ไม่มีค่าใช้จ่าย สมัครที่ <https://space.cbs.chula.ac.th/>  
ติดต่อ: อ.พิพัฒน์ LCD CHCD Tel. 2539  
Facebook Fanpage : CBS SPACE Email: Apipandp@bjc.co.th

Learning & Capability Development (BJC Campus) by CHCD

**SPACE**  
Learning Beyond Gravity

**BJC-BigC** ร่วมกับ **Chulalongkorn Business School (CBS)**  
เป็นระบบการเรียนรู้อัจฉริยะที่บูรณาการ **Hybrid Learning** โดยการเรียนรู้แบบผสมผสานระหว่าง การเรียนแบบ Online & Classroom เข้าด้วยกัน เพื่อให้ครอบคลุมการเรียนรู้ของพนักงานทุกกลุ่ม

“**แนว้: Social Distancing**  
แต่ต้องสามารถ **Learning** ได้ทุกที่ ทุกเวลา”

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For more information: 086-377-6858 (ภาษาอังกฤษ) LCD/BJC Apipandp@bjc.co.th  
Corporate Human Capital Development (CHCD)

Moreover BJC always give priority to social benefits by providing business knowledge on SPACE system, so general public can access business and management knowledge for free.

## TRAINING HOURS OF EMPLOYEES

### TRAINING HOURS AND TRAINING COSTS



AVERAGE HOURS  
PER FTE OF TRAINING  
AND DEVELOPMENT  
**63.71** HOURS



AVERAGE AMOUNT SPENT  
PER FTE ON TRAINING  
AND DEVELOPMENT  
**238.44** BAHT



THE PERCENTAGE  
OF GLOBAL FTES  
DATA COVERAGE  
**100** %

In 2020, BJC has organized development courses for all employees globally to increase efficiently and boosting productivity, these methods result in training employees by an average of 63.71 hours per person, totaling 20 million baht for training expense which is what emphasizes that BJC pays attention to foster additional skills to reflect the digital transformation. In addition, BJC encourages to promote internal candidates in various positions before recruiting external candidate from outside as internal employees are able to understand the corporate culture as well. This reflects that training and development of employees' capabilities create cooperate value. No matter what the circumstances after this epidemic, planning for the unforeseen and managing the human capital will impart a good foundation for sustainable growth. Therefore, BJC strives to build the sturdy foundation and increase awareness with all employees by imposed short-term and long-term strategies as direction for sustainable human capital management.

## ADDITIONAL DEVELOPMENT PROGRAMS IN 2020 FOR UPGRADING EMPLOYEE SKILLS

### 1. Big C'S CUSTOMER@HEART SCHEME

To improve service mind of employees, Big C has established a scheme training course "Customer@Heart" that emphasizes on decreasing customer complaints and increasing customer satisfaction by strengthening quality of service and encouraging good employee behavior accordingly to company's core values. The scheme has classified into five series of courses and rewards as follows;

- "Customer@Heart 1" and "Customer@Heart 2" emphasize on fundamental customer service training for all employees. All new employees are trained in orientation by the first course  
The second course is also conducted for store employees.
- "Customer@Heart 3" focuses on additional service skill training for gold service level of employees.
- "Star Customer@Heart" is for high potential employees who have reached platinum or gold service levels. Additionally, The Star Championship was introduced to enhance high service skills and increase customer experience.
- "Customer@Heart 4 / SMART Store Challenge" has been implemented since 2019 to support talent and high potential employees such as the Idol Cashier and SMART Store Challenge on Tour for Big C employees.

As the result of BJC’s effective scheme throughout business operation, in 2020, the customer satisfaction has been raised to 94.4 that increased 0.85% from previous year.



“ I am one of the participants in this training program. In my opinion, any knowledge from this training guided us a very useful tips for service with customers. Additionally, the program provided many tips and recommendations regarding communication skills with many types of customer to increase customer experience. The program also encourages good performance employees to develop comprehensive knowledge and skills in order to increase competitiveness in business operations ”

**MR. NARABORDEE RUANGSRI**  
 SGM RATCHADA, A PARTICIPANT OF CUSTOMER@HEART PROGRAM

**2. MIDDLE MANAGEMENT TRAINING PROGRAM (MMTP)**

**LEADERSHIP DEVELOPMENT ROAD MAP  
 MIDDLE MANAGEMENT TRAINING PROGRAM (MMTP) 2016-2021**

Start MMTP Program

- Assessment & Design
- Gap Analysis
- IDP & Career Development
- Goal Setting
- Leadership Training Road Map

**2020 FOCUS**

- Finance
- Risk Management in term of hygiene, employees’ well-being and working from home flexibility

- Human Capital Development (Training and Assignment)
- Corporate Sustainability Strategy

**2021 ONWARDS**

In preparation for business growth and expansion both domestically and internationally, BJC has been planning long-term development of mid-level executives with the Middle Management Training Program (MMTP) since 2016. Being assigned to oversee projects during classroom learning and in responsible workloads. Working with employees across lines or switching to work in different departments, including being an exchanger and sharing knowledge, as well as joining activities in accordance with the BJC Big C strategy. The year 2020, the focus is on risk management for each business. This is due to the epidemic situation of COVID-19, which has resulted in each business unit focus on risk management, especially in terms of hygiene, employees’ well-being and working from home flexibility. There are 23 mid-level executives participating in this program.



“ I had the opportunity to participate in this training program. The training program suggest how to handle team effectively. Many skills has been introduced to improve employee’s capability such as technical skill, soft skill, and leadership skill which increase the competitiveness in current market condition. I hope that BJC will continuously develop this kind of program as human resources are an important fundamental factor that drive sustainable growth of the organization ”

**MS. THIDA SUPHATTANASIRI**  
 CONVERTING MANAGER A PARTICIPANT  
 OF MIDDLE MANAGEMENT TRAINING PROGRAM (MMTP)

### 3. YOUNG BLOOD DEVELOPMENT PROGRAM

## YOUNG BLOOD DEVELOPMENT PROGRAM 2019-2023 TRAINING ROAD MAP

### 2020 FOCUS

- Decision Making Model
- Advance Excel
- SPC for Engineer in business management through SPACE, CBS training

- Supervisory skills (Coaching, Monitoring)
- Review human resource management, quality system and Occupational Health & Safety in factories
- Guidelines for sustainable management in organization
- Communication for happy life and effective work
- Strategic analysis and planning

### 2021 - 2023 FOCUS

- Coaching and self-learning
- Tissue Making Process
  - Sustainable Supply Chain Management
  - Digital Innovation and mindset
  - Project Management Concept
  - Analysis and problem solving
  - Generation and Diversity Management
  - Customer Relationship Management
  - Business Code of Conduct for leaders
  - Strategic to develop sustainable organization

BJC acknowledges that new-generation employees will become future leaders. Hence, the Young Blood Development Program has been curated to equip middle managers with the skills and competencies to grow and progress into leadership paths within the company. This 3 - 5 year development program aims at guiding employees through a series of development courses focusing on skills such as managerial, technical, and leadership skills. Prior to the Young Blood Development Program, the Company offered skill development courses such as costing management, advance excel and Statistical Process Control (SPC) for engineering.

In 2020, 50 employees participated in the Young Blood Development Program, whereby 7 employees or 14% of trained employees successfully paved their career progression path and received promotions instead of recruiting external candidate. It was evident that, in collaboration with the Young Blood Development Program, participants excelled in their performance at work, bringing in new perspectives, and adopting new technological approaches.

“ As a representative of the new generation that has an opportunity to participate in this training .This training increased my knowledge in many skills such as leadership skills, technical skills and others. In addition, they also practice how to use the SPC program, which is useful for data analysis and reduce manual process. In my opinion, this training is appropriate for the current situation that need to focus on technology transformation for business growth in current situation ”

**MR. WARAPOL TANGKAMOLCHAIKUN**  
SR. MAINTENANCE ENGINEER, A PARTICIPANT OF YOUNG BLOOD DEVELOPMENT PROGRAM



#### 4. LEAN MANUFACTURING TRAINING PROGRAM (LMTP)

A “Lean Manufacturing Training Program” has been established to provide technical knowledge for improving competitiveness in digital period. This program assists employees to understand the key to problem solving, such as root cause analysis, countermeasure action, tracking results and standardizing process. In addition, BJC gained benefit from reducing production costs and delivering more profitability for organization as well as building the relationship between employees to achieve maximum efficiency. The program relies on both manufacturing and maintenance engineers in subsidiaries departments such as, Thai Glass Industries PCL, Thai Malaya Glass Co.,Ltd., BJC Glass Thailand Co.,Ltd., Berli Jucker Cellox Ltd., Rubia Industries Ltd., and Berli Jucker Foods Ltd.

Based on the evaluation of the results of the program in 2020, there were 22 of employees were trained. The program reduce production cost around 9.7 million baht per year.



“ This training program is very useful to employees as we need to face problem in production process, leading to deeply analysis and problem-solving. This program provide us a more idea to understands the root cause of problems, and fix them efficiently along with reducing operation cost as well ”

**MS. KANTIMA KHAMSRISONG**  
A PARTICIPANT OF LEAN MANUFACTURING TRAINING PROGRAM (LMTP)

# OCCUPATIONAL HEALTH AND SAFETY



As a consequence of continued population growth over the last few decades foreseen to reach 9.7 billion by 2050\*, the ratio of different generation within the global workforce are changing. As boomers continue to retire, they are replaced with younger generations such as millennials, and generation Z, whom are moving up the organization ranks, and entering the workforce respectively, bring about new business approach to be more fluid and transparent, while prioritizing more non-financial satisfaction indicators such as job fit, diversity and occupational health and safety (OHS).

BJC firmly believes that an important determinant to achieving long-term and sustainable business operations is employee engagement and satisfaction. This belief derives from a recognition that employees are the most important resource to a company, since employees are interrelated in all aspects of a business operations, making employees the key driving force to a company's success. As such to ensure continued business growth and resilience in the face of new and increasingly complex risks and opportunities, companies must strive to attract and retain skilled and knowledgeable employees, achieved through the provision of good working environment, which promotes occupational health and safety (OHS). Should BJC fail to practice good occupational health and safety (OHS) standards, providing employees with a good and safe working environment, BJC risks injuring both, valued employees and corporate reputation from increased illness, injuries and fatalities rates among employees, suppliers and contractors, leading to lower employee engagement and satisfaction, while attaining negative reputation as an unsafe company, deterring future prospective employees and customers.

To prevent these negative effects from a lack of appropriate occupational health and safety (OHS) management standards, BJC prioritizes the health and safety of all employees, evident by the integration of occupational health and safety (OHS) into the corporate value under Happy Workplace of the 'CDSH' value. This priority is further evident in BJC's 2020 materiality matrix, where occupational health and safety (OHS) was ranked as a high priority in the matrix, further evidencing that occupational health and safety is of concern by both BJC and valued stakeholders alike. In 2020, the topic of occupational health and safety (OHS) was further emphasized by all stakeholders, as the global outbreak of the Coronavirus (COVID-19) continue to sweep across the globe. For these reasons, BJC is committed to safeguarding the health and safety of all employees, suppliers and contractors to foster a safety-oriented culture, and ensure a hazardous-free environment, protecting the physical and mental health and wellbeing of all individuals, ensuring a resilience and sustainable business.

To actively protect the health, safety and well-being of all employees, suppliers and contractors at all operations, BJC strictly operate in compliance with all applicable occupational health and safety (OHS) laws, regulations and international standards, including OHSAS 18001:2017, and ISO45001:2018. To ensure accurate compliance to these legal requirements throughout the value chain, BJC established a corporate wide **Safety Policy**, applicable to all executives, employees, suppliers, contractors, communities and other related personnel, providing a clear guides of

<https://www.un.org/sustainabledevelopment/blog/2015/07/un-projects-world-population-to-reach-8-5-billion-by-2030-driven-by-growth-in-developing-countries/#:~:text=The%20world's%20population%20is%20projected,around%2035%20years%20from%20now%2C>

best safety practices and BJC’s commitment to continuously foster a safety-oriented culture, to ensuring a hazardous-free environment. These are fostered through the appointment of responsible persons to oversee compliances with standards, active identification and assessment of hazardous environment, and occupational health and safety training, all of which results in an improved occupational health and safety for BJC.

## BJC SAFETY POLICY



All business units shall comply with laws, regulations and guidelines relating to occupational health and safety as basic norms



Regularly monitoring and evaluating work performance according to safety, occupational health and working environment policy, in order to achieve the highest level of efficiency, and to ensure that it complies with the goal of reducing the Lost Time Injury Frequency (LTIFR) and Occupational Illness Frequency Rate (OIFR)



Encouraging employees to recognize the importance of occupational health and safety through training and practice to ensure that all employees understand and comply with the policy



Communicating with stakeholders inside and outside the organization to be informed of the operations and performance in a transparent manner, as well as listening to the needs and expectations, to be used in implementing and improving operations to the maximum efficiency



Supervising the performance of employees, visitors and the others who works at the company to strictly comply with safety and occupational health regulations, as well as initiating measures to prevent loss of life, property, manufacturing process, transportation and other processes

## OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE DASHBOARD

### LOST TIME INJURY FREQUENCY RATE (LTIFR) - EMPLOYEES

YEAR	UNIT	2017	2018	2019	2020	2020 TARGET
Employees	Million work hours	2.52	2.45	2.26	3.31	2.41
Coverage	Percentage of Revenue	89	89	87	88	

Remark: 1. Employees include all employees under the employment and contract with BJC or BJC’s subsidiaries. Employees include all fulltime, part-time and temporary employees.  
2. See Incident response below in ‘Occupational Health and Safety Response’

## LOST TIME INJURY FREQUENCY RATE (LTIFR) - CONTRACTORS

YEAR	UNIT	2017	2018	2019	2020	2020 TARGET
Contractors	Million work hours	0.70	0.66	0.87	0.79	0.81
Coverage	Percentage of Revenue	89	89	87	88	

Remark: 1. Contractors include both regular visitors, such as maids and security guards, and periodic visitors such as delivery services.  
 2. See Incident response below in 'Occupational Health and Safety Response'

As evident in the **Safety Policy**, BJC actively strives to minimize the rate of illness, injuries and fatalities occurred from work, committing to a zero accident rate. This commitment is achieved through, closely monitors and complies with applicable laws, regulations and standards, guaranteeing that BJC do not violate legal OHS requirements. Regularly conduct occupational health and safety risk assessments, to identify hazardous working environment which may lead to injuries and fatalities, increase awareness of occupational health and safety amongst employees, suppliers and contractors through training session to foster safety culture, monitor OHS performance at each sites through the establishment of formal safety committees, and implementation of customized OHS initiatives throughout each supply chains to protect employee health, safety and well-being.

## WORKER HEALTH AND SAFETY COMMITTEE

Compliance with applicable OHS laws, regulations and standards at each facilities, and monitored through the established **BJC Worker Health and Safety Committee** to ensure that OHS compliances are implemented accurately. In addition to overseeing OHS compliance at each facilities, the **Worker, Health and Safety Committee** is accountable for representing the voice of employees, and contractors during the monthly management and Safety, Health and Environment (SHE) meeting, providing employees, and contractors with a channel to voice their concerns. The committee also actively engages with employees, and contractors to gain OHS insight, integrating employee engagement results as part of the process to identify and assess hazardous environments, investigate incidents, audit inspections, and organize appropriate training to improve the OHSMS. As part of the ISO 45001 and ISO 14001, management’s reviews of the OHSMS are conducted annually, to ensure that BJC is able to create a safe and healthy working environment for all employees, and contractors.

## OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS

To accommodate for the diversified businesses industries under BJC’s control, each with different industry specific legal requirements and standards, BJC actively monitors and identifies relevant laws, regulations and standards for each of its supply chain, to ensure compliance with the most up-to-date version, making sure that compliance covers all potential violations against occupational health and safety (OHS). To manage compliance,

BJC established the **Systemic Occupational Health and Safety Management System (OHSMS)**, which encourages each supply chain to adapt the process to accurately collect, report and disclose occupational health and safety incidents data, reporting to relevant departments such as business unit head and factory managers to accurately monitor types and frequency of incidents, in order to develop appropriate managing controls. Doing so elevates BJC's occupational health and safety standards to meet the expectation of international standards, resulting in the certifications of business units as follows.



## HAZARD IDENTIFICATION, RISK ASSESSMENT AND MANAGEMENT PROCESS

Guided by the established **Systemic Occupational Health and Safety Management System (OHSMS)**, all occupational health and safety related risks and hazardous environment in all BJC operations are regularly assessed to minimize risk of injuries. This assessment is especially emphasized in production, manufacturing based operations, and all Big C stores where large and heavy machineries are present, presenting high injury risk levels for employees, and contractors.

In compliance with requirements set by ISO standards, OHS assessments are conducted at least semi-annually, once by the Group Internal Audit Department on an annual bases, and semi-annually by on-site OHS personal, whom have been certified by ISO, aiming to actively identify operations with significant negative OHS risk, for BJC to manage accordingly. In addition to assessments of BJC's operations managed and maintained by BJC's employees, assessments are also conducted on all service providers and external contractors to assess the efficiency and effectiveness of OHS management and frequency of OHS incidents in normal, abnormal and emergency conditions to rank risk levels accordingly.

# SYSTEMIC OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM (OHSMS)

1. Policies and Management Approach
2. Communicate and Controls
3. Risk Assessment & Management (Quarterly)
4. Incident Investigation Process
5. Audit by Central and External
6. Report Process Monthly to Management

To manage relevant OHS risk and lower risk impacts towards employees, contractors and BJC’s operations, BJC have continuously development and implemented various controls and mitigation measures. Implemented controls includes, updating operational controls to consider OHS risks, improves engineering designs to minimize risks, and integrate ambitious OHS objectives or targets into operations. Performance of implemented changes are monitored by on-site OHS personals and reviewed by responsible department head in order to evaluate the continuous improvement of the OHSMS.



Should employees identify/observes work-related hazardous environment or situation, they are responsible to comply with the **Incident Investigation Process** Should contractors identify/observe work-related hazardous environment or situations, the same process is also applicable.

## INCIDENT INVESTIGATION PROCESS



## 1. INCIDENT RESPONSE

Employees are responsible to report incidents to relevant supervisors, whom are accountable for addressing each concerns and follow the investigation process to remediate the hazardous incident in a timely manner. It is emphasized that should any employees believe that an incident is of high risk to the health and wellbeing of employees and their respective peers all employees have the right to declare a stop work situation to remove themselves and peers from the unsafe environment\*, and are guaranteed to be protected from reprisals.

## 2. RECORD DATA

Relevant supervisors are to accurately record all reported identify/observes work-related hazardous environment or situation into the centralized system.

## 3. ROOT CAUSE INVESTIGATION & PREVENTIVE ACTIONS

Relevant supervisors are accountable to proceed to a transparent incident investigation process to review the situation and identify the root cause of such event to manage accordingly and prevent future occurrence.

## 4. REPORT (INTERNAL & EXTERNAL)

Finally, in an event that a hazardous event is identified in an operation, which present a clear OHS risk, BJC will report the incident to all subsidiaries to investigate, in order to minimize similar risk from occurring in all subsidiaries.



# OCCUPATIONAL HEALTH AND SAFETY RESPONSE

In 2020, as a result of the incident investigation process, BJC found that there were no work-related fatalities or significant injuries occurred throughout the value chain. The most significant injuries include minor non-fatal occupational health injuries such as sprains at TGI, and folk lift injuries in Distribution centres. This low injury incidents evident the effectiveness of BJC's various occupational health and safety programs implemented.

Unsafe Environment is defined as a situation imposing possible injuries or other health impacts on an individual.

## OCCUPATIONAL HEALTH AND SAFETY AWARENESS TRAINING

BJC believe that in order to efficiently minimize OHS incidents, all employees must take an active role in identifying and reporting potential OHS risk environment and incident to supervisors. To do so, all employees must be equipped with the knowledge and ability to identify potential OHS risks in the workplace effectively. To foster this knowledge amongst employees, BJC has incorporate OHS training as part of the mandatory training all employees must past as part of the orientation process. Doing so installs OHS awareness and emphasizes BJC prioritization of employee occupational health and safety. Beyond the topic of OHS, BJC also provide employees with training for the topic of, office ergonomics, basic first aid & CPR training and basic firefighting training. Training sessions are conducted by relevant topic professionals such as Advance Fire-Fighters and Emergency response team for first aid and CPR training, ensuring competent and accurate training material for employees. To safeguard the health and safety of contractors and visitors, all contractors are also subjected to the OHS training, ensuring compliance to safety practices, minimizing risk of injuries throughout the value chain.



## PROMOTING GOOD OCCUPATIONAL HEALTH AND SAFETY AND WELL-BEING FOR EMPLOYEES

Apart from regular assessment of hazardous and occupational health and safety in all operations, BJC also implemented various initiatives to protect, foster and promote good health and well-being amongst employees. These implemented initiatives are in compliance with applicable laws, regulations and standards, such as flexible working houses, working from home arrangements, childcare facilities or contributions, and maternity and paternity leave initiatives.

### FLEXIBLE WORKING HOURS

BJC acknowledges the importance of work-life-balance, recognizing the positive impacts effect it has on employees, allowing employees to meet and manage their personal and professional responsibilities respectively, leading to a happier and more satisfied employee, whom are motivated to work. For this reason, BJC has implemented a flexible working hour scheme for all employees since 2009. Employees can choose between three working hour's

options as follows 7.30 am – 4.30 pm, 8.00 am – 5.00 pm, or 8.30 am – 5.30 pm. In 2020, to minimize the risk of employees contracting COVID-19 during their commute to work, BJC extended the scope of the flexible working hours, allowing employees to start work from 7.30 - 10.00, finishing when they have completed 8 hours of work. This allows employees to avoid congestions on public transports during the normal working hours of 8.00 – 8.30 am, reducing the exposure risk to the virus.

## WORKING FROM HOME ARRANGEMENTS

After the positive success of the flexible working hour scheme, BJC have introduced the working from home arrangement in 2020. BJC allows all employees to a work from home arrangement on a case by case basis, pending they meet the conditions, qualifications and requirement of the work from home guideline established in 2019. In 2020, due to the severity of the COVID-19, and in alignment with the government regulations, BJC initiated the work from home arrangement for all employees to minimize the spread of the virus. However, it should be noted that due to the nature of some business functions, such as operations and manufacturing, not all employees can conduct work from home. To remediate this, BJC have implemented diverse initiatives to safeguard employees in the workplace from the COVID-19 accordingly, to safeguard their health and safety.

## CHILDCARE FACILITIES OR CONTRIBUTIONS

BJC strongly believe that a strong family bond from an early age will lead to a strong child develop, resulting in a high quality member of society in the future. To assist employees as they transition into their new responsibilities of parenthood, BJC has provide specific well-being benefits for employees.

To assist new mothers to balance their new responsibilities as mothers and work, BJC provide nursing room for mothers to carry out these tasks during working hours. Each rooms are built for comfort and privacy equipped with refrigerator. At present a total of 3 nursing rooms are available at Thai Glass Industries, Thai Malaya Glass 1 and Thai Malaya Glass 2. In 2020, new mothers have responded positively to the facility.

In addition, CPC offers contribution to employee children in the form of scholarships. The scholarship have been offered for the past 17 years for well-performing employees, with over 1 year employment with CPC. In addition, the child must be a high achiever to be eligible for the scholarship. CPC has an annual scholarship target of 29 child. In 2020, CPC offered 29 child with scholarships, equal to 130,000 baht.

Finally, for employees who joined BJC or transferred departments within BJC before 1 November 2008, BJC offer medical support for employee children, as a childcare contribution initiative. The total support ranges from 100,000 baht per year to actual medical bills medical bills, depends on the level of the employees.

## PAID MATERNITY LEAVE

BJC offers all employees with a 98 days paid maternity leave per child. This 98 days does include any time off for pre-natal doctor visits, as well as public holidays during the leave period. This is in compliance with Thailand maternity leave laws. A female employee can extend the maternity leave period for an additional 30 days without pay if she is unable to resume work after the initial maternity leave period based on a doctor's advice.

## PAID PATERNITY LEAVE

Male employees with a minimum of 1 working year with BJC are entitled to a 3 day paid leave per child. The employee must exercise the right within 30 days of the birth, in addition to at least a 7 days' notice to BJC.

# HEALTHY WORKING LIFE, DISEASE-FREE, SAFE AND HAPPY INITIATIVES

In addition to basic legal requirements to protect employee occupational health and safety, BJC continuously strives to create a healthy workplace for employees.



### ANNUAL HEALTH CHECKS

- BJC provide all employees with a medical examination to monitor employee health on an annual bases. This a requirements
- Additional examination are conducted based on employee age groups to examine common health issues related to age. E.g. Option to test cervical cancer for female
- Results allow employees to make life-style improvements accordingly



### FREE DENTAL CHECK

- BJC offer all employees with a free dental check-up on an annual bases. The check-up was provided by Ban Phaeo Hospital



### SPORTS EVENT

- To promote employee health and well-being BJC organize sport events for employees to compete in. Sports events includes sports such as football, petanque and badminton

## COVID-19 INITIATIVES

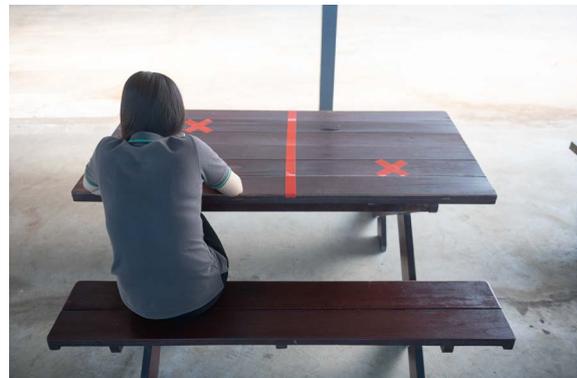
As a consequence of the continued outbreak of the COVID-19 pandemic, BJC and all subsidiaries implemented various initiatives to prevent, mitigate and protect all employees against the spread of the COVID-19 pandemic in accordance with government regulations as follows.

### BODY TEMPERATURE SCREENING



Prior to entering BJC's premises, all employees and visitors are subjected to temperature check and risk assessment through the 'Mhor Chana' Application. Should individual body temperature indicates a temperature above 37.5 degrees, the individual are not permitted to enter under any circumstances.

### SOCIAL DISTANCING AND HYGIENIC PRACTICE



To minimize the spread of the COVID-19 pandemic, all persons are encouraged to practice social distancing at all times at all operations to the extent possible. To foster this practice, BJC provide distancing indicators around the premises during queuing to clocking in/out of work, and at cafeterias.

BJC also strongly encourages all employees to regularly clean hands with alcohol based sanitizers, provided around the premises, especially before and after eating. Alcohol based gels are provided in Labs, building entrances, and cafeteria.

Finally, to practice good hygiene in cafeteria, BJC only permits selling of hot food, prohibiting the sales of warm or cold food and beverages, including shared ice, while providing additional water stations for all employees.

## WORK STATIONS AND OFFICES

In keeping with the social distancing practice, BJC enforces a 1.5 meter distance between each personal's desks. All employees must also wear sanitary face masks at all times.

To assist employees in the transition into the 'new normal' routine, BJC established the 'Hong Oon Jai' room, a room designed to provide individuals with an isolated space at work, eliminating risk of exposure to the COVID-19 virus. Individuals utilizing the room must strictly comply with the room's hygiene rules.

## COVID-19 ANNOUNCEMENTS AND UPDATES

Finally, BJC closely monitors COVID-19 situations, providing employees with regular updates and knowledge sharing about COVID-19. Knowledge sharing includes how to minimize infection risk, and news updates about COVID-19.



## WORKING WITH SUPPLIERS

Beyond compliance with governmental regulations to control COVID-19 throughout BJC's operations, BJC also worked closely with all relevant suppliers, with emphasis on suppliers and service providers such as transportation to regularly spray disinfectants around the car. BJC also provide alcohol based hand sanitizers for each cars.



# PACKAGING

## SHE2 DAY 2020 INITIATIVE BY BJC GLASS INDUSTRIES

Through the analysis under the OHSMS, Thai Glass Industries (TGI) identified that the majority of OHS incidents occurred on site are the result of unsafe act by employees. To manage this, and following the success from previous years, in 2020, TGI conduct the **SHE2 DAY 2020** Training Session, which aims to build awareness about occupational health and safety, both during and outside of work, to foster a safety culture within TGI. The session are presented in an engaging activity format and exhibitions for employees, these includes job hazard poster contest, personal protective equipment exhibition and obstacle course, nutrition recommendation program, stretching demonstrations. Furthermore, the session is an additional for all employees from various departments to provide inputs and suggestions as to how TGI can achieve the ambitious target under the “Zero Accident campaign”

In 2020, 50% of all employees at TGI or 657 employees participated in the program. The session’s success was monitored through employee feedback, which shows that the majority of participants were satisfied with the session.



## HEALTH AND WELL-BEING AT TGI AND TMG

Through the OHSMS analysis, Thai Malaya Glass (TMG) and Thai Glass Industries (TGI) found that by nature, glass production process produces loud ambient noise, which are amplified within the facility. These noises can be harmful to the human body, especially the hearing systems. To minimize these effects, TGI and TMG ensure that all employees are fitted with appropriate Personal Protective Equipment (PPE). This is done through the “Ear Fit Test”, where TGI and TMG invested 191,000 Baht to purchase two EARfit Dual Ear Validation System Speaker for the “Ear Fit Test” procedure. The procedure ensures that each individuals are fitted with proper ear protection, customized for their individual anatomy. Fitted protective gears are then tested to determine the noise reduction levels, confirming that personals are properly protected.



TGI evaluates employees for the Ear Fit test through results of annual health checkup from previous years. In 2019, a total of 42 new employees received the Ear Fit Test, an additional 17 in 2020. Relevant visitors and contractors are also provided with appropriate protective equipment’s when visiting TGI and TMG. All are subjected to safety inspections to ensure that they are wearing sufficient protective equipment’s prior to entering the facility.

## CONSUMER

### HEALTH AND SAFETY TRAININGS AT BERLI JUCKER LOGISTICS

Following the success of the “Safety Week”, “Behavior Base Safety” and the “Kizen Yoshi Training” implemented in 2019, in 2020 Berli Jucker Logistics Ltd. (BJL) continues to conduct occupational health and safety training for employees through internal and external training courses.

Internal training course covers topics such as, occupational health and safety, safety equipment’s, crisis management, fire management, fire escape, chemical crisis management, management of chemical and other hazardous substance, and subcontractor processing. Each training course was conducted by members of the Team Safety, with the aim to educate/share knowledge related to occupational health and safety for all employees, in accordance with SOP & WI requirements.

On the other hand, external training course are conducted by external subject matter experts, aiming to educate/share knowledge to relevant employees and management to increase awareness of occupational health and safety, to foster a safety culture, and ensure that relevant employees can operate forklift safely, to act accordingly in case of fire. Topics include, forklift safety and operations, Protective gear safety and operations, rescue tender safety and operations, and annual fire escape practice.

In 2020, BJL trained a total of 1,013 employees.



### OCCUPATIONAL HEALTH AND WELL-BEING AT CPC

Employee health, safety and well-being is a top priority at Berli Jucker Cellox (CPC), believing that the health, safety, wellbeing and stability of employees and their respective families are critical to long term sustainability and employee engagements. As such CPC strive to ensure compliance with applicable legal requirements and ensure that all working environments protect and foster good health and wellbeing.

These commitments aims to foster 4 key criteria, Safety awareness, Environmental awareness, Energy efficiency and Drug and substance abuse management, developed in accordance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards. To enforce this, CPC regularly conducts training sessions in various forms, emphasizing on an interactive format to educate all employees on the importance of occupational health and safety and a safety culture. The training also include education about the proper use of Personal Protective Equipment for various responsibilities.

Awards: From CPC SR 2020 P. 206

- Outstanding Model Establishment Award for Occupational Safety, Health and Work Environment 2020, National Level (Gold), year 2 (Prachinburi factory), year 4 (Bang Plee factory)
- Zero Accident Campaign 2020: Silver\*
- Green Industry Level 4 Green Culture
- Corporate Social Responsibility (CSR): CSR-DIW Continuous Award 2019



**WELL-BEING AT CPC**

Furthermore, apart from the safety culture, CPC also promotes the wellbeing of all employees through the provision of:

- CPC has fitness room available for employees and outside exercise equipment's
- Garden space for employees to relax during the day
- Air conditioned mess hall
- Offer scholarships to employee kids annually
- Annual company retreats



\* For no accident in 3,867,074 working hours



# CUSTOMER RELATIONSHIP MANAGEMENT

The management of customer relationship (CRM) is a fundamental aspect for companies to achieve a long-term sustainable growth, since customers are an integral part which impacts revenue and business growth. At its core, CRM includes all activities, strategies and technologies companies use to manage interactions with customers, building relationships, creating customer loyalty and retention. In 2020, CRM is particularly important since the continued outbreak of the COVID-19 pandemic have caused customers to adopt new behavior, and expectations in the “New Normal” lifestyle. This change has pushed many companies to prioritize effective customer relationship management, to reevaluate strategies, processes and operating model to better meet customers’ demands in the new market conditions.

As evident from BJC’s mission “to serve personalized customers’ needs based on customer-centric and data-driven culture”, BJC have always prioritize customer relationship management, recognizing the detrimental impact poor CRM can have on operations, including loss of customer loyalty, customer satisfaction, sales and revenue. For this reason, BJC have implemented various CRM projects such as increase online channels (applications, web services) and delivery services, to meet customers’ expectations, paralleled with enhancing internal capabilities in data analytics, gaining in-depth understanding of each customer segments unique behavior, under the new normal lifestyle, ensuring business resilience.

To uphold a good customer relationship management, BJC has established a **Customer Relationship Management Process** to meet customer’s expectations in a timely manner. The process provide all employees with a clear guideline to follow, should customers contact BJC, managing each communication on a case-by-case bases, communicating with relevant departments accordingly to meet customer needs.

STEP	PROCESS
1	<p>Call Center teams receive complaints and categorize the case that contacted via Call center 1756, Facebook and website channels to proceed as follows.</p> <p><b>1. Prioritize the case</b></p> <p><b>1.1 Urgent cases:</b> Coordinate and send e-mails to take urgent actions such as the utility service was suspended. Related departments will feedback to customers within 24 hours.</p> <p><b>1.2 Normal case:</b> Follow the below process.</p> <p><b>1.2.1 Solve the problem and close the case by call center teams</b></p> <ul style="list-style-type: none"> <li>• Solve the problem and feedback the problem to customer by the information received from responsible business unit.</li> <li>• Correct information can be operated according to the agreed condition only by taking into account the data security and process.</li> <li>• Edit information that operated by call center team will be set priority as medium or low only.</li> <li>• Enter information in the system for tracking as a report.</li> <li>• Close the case according to Service Level Agreement (SLA) as required.</li> </ul> <p><b>1.2.2 Can't solve the problem and forward to related parties</b></p> <ul style="list-style-type: none"> <li>• Received the case and coordinate the counter service and related parties via E-mail or Call</li> <li>• Follow up on cases reported by customers via E-mail or Call</li> <li>• Receive case or follow up on a case by send e-mails or call based on the urgency of the case</li> </ul>

STEP	PROCESS
2	<ul style="list-style-type: none"> <li>Customer service team forwards the case to relevant departments or branches to check the details, along with report results to customers such as, New Service Development or Operation Department check customer information in the system.</li> <li>In case of IT system, the IT Service desk team solves the problem or coordinate with relevant parties to check operational system such as customers name are not in the online system or no customer names on receipt</li> <li>IT service desk or branch or related departments will investigate and report the information back to the customer service department for further process.</li> </ul>
3	After receiving feedback case from relevant departments, customer service team will perform data checks to close the case, send a case to call center team to contact customer, collect the case as a report or follow up feedback as specified by customer.
4	Counter service team will collect the case on a daily, weekly and monthly basis and sent to the relevant departments for further improvement in service management

To better meet customer expectations in a timely manner, BJC classifies customer communication into two groups, high and medium levels, each requiring different range of working days to feedback customers per the table below.

CASE TYPE	PRIORITY	SERVICE LEVEL AGREEMENT (SLA)*	
		ACCEPTANCE*	CLOSE CASE
Request	High	3 Hours	1-3 business days
Complaint	High	3 Hours	1 business day
Follow-up	High	3 Hours	1 business day
Inquiry	Medium	1 business day	1-3 business days
Compliment	Medium	1 business day	1-3 business days
Suggestion	Medium	1 business day	3 business days
Request	Medium	1 business day	3 business days

Furthermore, in response to the COVID-19 pandemic, BJC has updated many CRM projects and communication channels to support changing customer behavior including developing online channels to uphold customer relationship management and increase customer satisfaction during the pandemic. Online channels implemented includes, Call-Chat-Shop, and home deliveries. These online channels enabled BJC and customers to minimize physical contacts, limiting the spread of the COVID-19, achieved through a reliable delivery service.

BJC respects the opinions and privacy of all customers, and is open to receive feedback from customers. To receive customer feedback, BJC has established various channels for customers to voice their opinions, while maintaining their privacy. These opinions and information are then integrated into new CRM tools, allowing BJC to better meet customer needs.

\* Service Level Agreement (SLA): Case closure time may be adjusted based on feedback information from the relevant departments  
 Acceptance: The time that received customer's inquiry

SATISFACTION MEASUREMENT	FY 2017	FY 2018	FY 2019	FY 2020	TARGET FOR FY 2020
% Satisfied respondents	92.85	93.09	93.55	94.4	94



## 2020 FOCUS PROJECTS

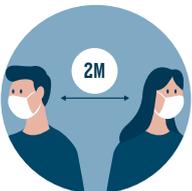
### CUSTOMER SUPPORT DURING COVID-19

During the COVID-19 pandemic, various preventive measures and activities has been established to ensure customers' safety when visiting Big C shopping centers, supporting customer's confidence in BJC's products and services.

### 40 PREVENTIVE MEASURES



Creating communication channels including Facebook, Website, Signboard and Line Official to strengthen customer's confidence in products and services



Maintain social distancing at least 1 - 2 meter



Implementing new online channels to receive orders from customers (Call-Chat-Shop, Big C shopping online application)



Introducing Drive-thru and Home Delivery to minimize physical interactions



Managing demand and inventory control to meet customers' needs



Enabling special payment channel for high risk customers which elderly, pregnant women and disabled person



Regularly clean high-touch surfaces including desks, doors and door handles, keyboards and lifts, including lift buttons and handrails



Designated sanitation area at the entrance of facilities for employees and visitors can use, prior to entering BJC Head Office, Big C Head Office and factories

## CALL-CHAT-SHOP AT Big C

To facilitate customer with their daily needs under the new normal lifestyle, the "Call-Chat-Shop" channel has been introduced in 2020. The channel allows customers to order necessary products through the application, getting the products delivered for free with a minimum order of 799 Baht, accessible via the 1756 Call Center, Line Application and Drive-Thru. Customers can select Drive-Thru service and pickup location most convenient for them. In 2020, this initiative has been proven successful, with 431,060 customers using the service, generating over 1,056 million baht. Big C has planned to gain 1.5% revenue of total retail sale from this channel within 2021.



“ Big C regularly places an importance on health and safety of customers in COVID-19 pandemic by establishing 40 preventive measure. We also launched Call-Chat-Shop service for allowing customers to shopping online. This new service helps customers who stay at home purchase goods and services at Big C through phone or line application. ”

**MR. PHIDSANU PONGWATANA**  
SENIOR EXECUTIVE VICE PRESIDENT, HYPER & MARKET OPERATIONS OF Big C

## Big C SHOPPING ONLINE

**BigC Shopping Online**  
บริการส่งแบบ ไร้สัมผัส

- พนักงานทำความสะอาดและฆ่าเชื้อก่อนและหลังปฏิบัติงาน
- ทำความสะอาดรถและกระเป๋าส่งสินค้าทุกครั้งก่อนจัดส่ง
- สวมหน้ากากอนามัยและถุงมือในการจัดส่งสินค้า
- ยื่นห้างวันระยะจากลูกค้าอย่างน้อย 2 เมตร
- พนักงานจะจัดวางสินค้าเพื่อให้ลูกค้าหยิบอย่างสะดวกโดยจะเว้นระยะห่าง
- เลือกชำระเงินด้วยบัตรเครดิต หรือบัตรเดบิต เพื่อลดการสัมผัสเงินสด

มั่นใจ ปลอดภัยแน่นอน

Big C Shopping Online introduced a new Express Delivery Service within one hour in greater bangkok area, which utilizes a contactless payment delivery system to minimize physical contact between customers and delivery staff, providing social distancing to comply with international best practice during the COVID-19 pandemic. In addition, Big C also introduced new measures to protect customer's health and safety through 6 measures for touch-reduction delivery services as follows:

- All equipment has been sanitized before and after work
- Staff wears sanitary masks and shipping gloves when delivering products
- Staff stands at least 2 meters away from a customer
- Staff place products in an area designated by customers without directly handing products to customers
- Recommend customers to pay by online credit card and debit card to reduce touch point

In addition, Big C launched partnership with Foodpanda, offering customers with shopping and delivery within 30 minutes. Big C customers can now shop Big C products in the platform and delivered by Foodpanda riders. This service has become significant strategy to serve customers' demand during COVID-19 pandemic.

## Big C MOBILE APPLICATION

In meeting with the increased number of customers transitioning towards online channels, Big C has developed Big C Mobile Application, as a new digital hub to increase online customer engagement, under the theme “Right offer, Right person and Right time”, with location-based targeting and personalized offers, cross-sell or up-sell. The application offers customers a convenient access to relevant information and to receive personalized offers under a single platform. Big C Mobile Application has 3 key features as follows;

- 1. Big Card Loyalty & Rewards Program:** By Integrating big data Big Card points can be easily redeemed for personalized coupons and lifestyle privileges. In 2020, 282,780 customers have registered as a Big Card Member, equivalent to 48% of all Big C customers.
- 2. Big C Shopping Online:** Customers are able to shopping from anywhere, anytime for +40,000 products, with delivery services & in-store pick up and online payment such as credit card on delivery (CCOD) or cash on delivery (COD). Customers can earn Big Card points and redeem points for discounts.
- 3. Big Wallet** This tool has been implemented as an online payment channel when shopping on Mobile Application to support cashless society. Big Wallet will either top up or withdraw cash at Big C stores or internet banking.

Since the application has been launched on 16<sup>th</sup> January 2020, Big C Mobile Application has a total of 1.2 million users as of December 2020. Big C aims to achieve 500,000 new users by the end of 2021. The application is expected to be the top 5 most downloaded applications ranked in shopping category within the next 3 years. Big C has been continuing to improve quality by planning to re-launch Shopping Online Native Application and to revamp Big C Mobile Application in 2021.



## “Big C BANKING AGENT”

In order to minimize customers’ risk exposure to the COVID-19 pandemic, from visiting multiple locations, Big C has introduced the Big C Banking Services in 2019. The service offers banking services for 3 leading banks including Kasikorn Bank (KBank), Siam Commercial Bank (SCB) and Bank of Ayudhya (BAY) to facilitate Big C customers and Big C tenants banking needs.

On average, Big C conducts 600,000 transactions per year. In 2021, Big C plans to expand the service to cover all of the main banks in Thailand such as Bangkok Bank (BBL), Government Savings Bank (GSB) and Bank for Agriculture and Agricultural Cooperatives (BAAC). In addition Big C aims to continuously grow the number of transactions to reach 1 million per year within 3 years.



## KERRY DROP OFF AT Big C

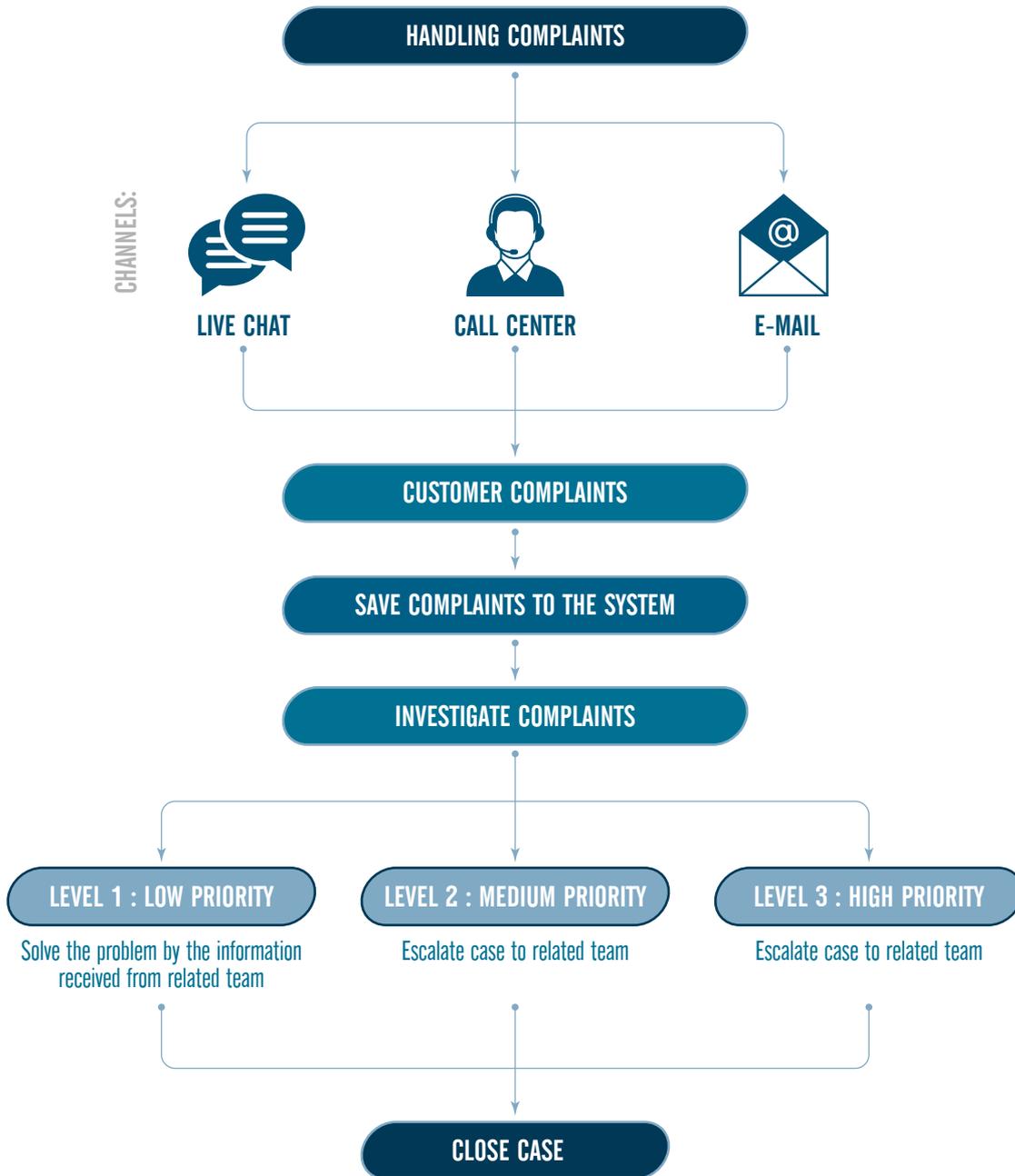


Due to the COVID-19 pandemic and high competitiveness within the e-commerce market, Big C has initiated the “parcel drop-off service” project in corroboration with Kerry express to better serve different customer segment since quarter 4 of 2019. The service allows customers to drop off parcels at Big C and Mini Big C branches, offering a one-stop service. The service has expanded from 1,001 store in 2019 to 1,217 big C stores in 2020 with monetary account and lucky draw programs. The service raises delivery 904,007 transaction, which has increased 13.2% from the previous year. The result has shown that customers’ behaviors are shifting from offline to online. This project has attracted more customer feedback that help to boost customer engagement and sale volume in pandemic time.

## C SMART SOLUTION

In keeping with the continuous growth of big data technology/trends, since 2019. Big C has reevaluated the marketing strategy by focusing on data analytic to strengthen engagements with partners and customers. To do so, the C Smart Solution has been established to analyze customer data, sales performance and consumer behavior for Big C, including personalized marketing via SMS, Line Application, and mobile application. New analysis tools such as promotion analyzer, lifestyle segmentation and Price Elasticity have also been introduced to assist Big C to develop a promotion strategy and activities. In 2020, Big C has analyzed data of 1.7 million Big Card customers and created a personalized marketing campaign to increase the frequency and volume of customer purchases, and to create best customer experiences at Big C.

# CUSTOMER COMPLAINT AND GRIEVANCE MANAGEMENT



In order to handle customer’s feedback efficiently, BJC has established robust mechanism to receive complaint and grievances through various online and offline channels, to ensure comprehensive and fast service improvements during the COVID-19 outbreak. Channels include, call center services (1756), company website, social media platforms (Facebook, Live Chat) and e-mails and also coordinate with relevant parties to raise awareness of such complaints. The following is a simple and easy-to-follow guideline to process customer complaints, from customers through monitoring and tracking received complaints.

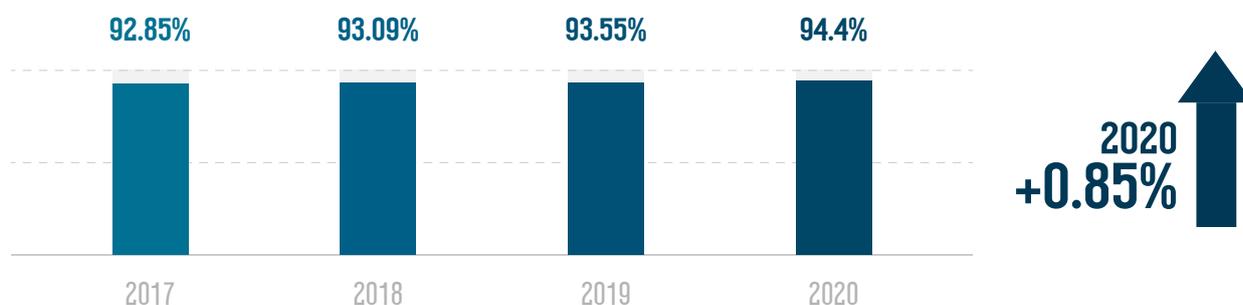
In 2020, the majority of complaint involved poor staff and cashiers service quality, poor quality of product such as informal or inappropriate use of language, making mistakes, and lack of service attitude at Big C facilities. In response, Big C organized a training courses covering the topic of soft skills and service mind under the “Customer @Heart” scheme to improve the relationship between customers and Big C. Hence, BJC plans to launch a program that focuses on improving customer service through Key Customer Touch Points which is related to staff service quality, quality of products, hygiene and cleanliness in toilet and parking lot security.

## CUSTOMER SATISFACTION

BJC utilize customer satisfaction surveys as the primary method for collecting data and analyzing customers’ needs in each segment, assisting BJC to develop high-quality products and services to meet the expectations of customers. The survey identify indicators to evaluate performance of responsible team. Each year, BJC is committed to set higher customer satisfaction target to efficiently continue development throughout the organization.

## VOICE OF CUSTOMER (VOC) PROGRAM AT Big C

Big C have implemented the Voice of Customer (VOC) Program since 2017. The program collects customer data through the use of QR Codes, printed at the end of all customer shopping receipts or via a connection to Short Messaging Service (SMS). Providing customers with an easy to access to customer satisfaction survey on their smartphones. When Big C received notification of a dissatisfied customer with their products and services. This information will be passed to the responsible department in order to improve the service via a close-loop feedback service, department then communicate with customers to ensure that their issues are being understood and acted upon.



In 2020, Voice of Customer (VOC) results indicates that 94.4% of customers are satisfy with Big C services, an increase of 0.85% from previous years, evidencing customer’s satisfaction with their experience shopping in Big C, meeting BJC’s annual target in 2020.

## CUSTOMER PRIVACY PROTECTION

### PERSONAL DATA PROTECTION ACT (PDPA)

To adequately and lawfully protect consumer data, BJC is committed to protect individual privacy interests, as reinforced by the corporate wide **Customer Privacy Policy**. Implemented in 2019, the Privacy Policy clearly outline the objective and uses of collected data, which includes behavior analysis, lifestyle, purchasing history, to develop customized marketing campaign to meet customer needs.

Furthermore, due to the government regulations for citizens to self-quarantine and work from home during the COVID-19 pandemic, the number of customers utilizing online channels have drastically increased, as a result, customers are disclosing personal information such as date of birth, income, address, log-in passwords, and browsing activities into website as part of their subscription to online channels. To protect these personal information, BJC is committed to continuously develop policies to ensure adequate data protection coverage.

In order to create awareness to the importance of personal data protection throughout BJC, **PDPA Committee meetings** have been organized monthly. The meetings aim to ensure that employees are aware of the act and to provide PDPA updates to the executives and related departments.

### CUSTOMER DATA COLLECTION PROCESS

As the provisions of the National Personal Data Protection Act (PDPA) come into effect on 1<sup>st</sup> June 2022, BJC has established customer data collection processes by emphasizing on customer data storage, the authorized use of personal data and data protection method to comply with the Protection Act. Currently, BJC has continuously developed the process to inform customers about objective and use of personal information collection through “<https://corporate.bigc.co.th/bigcapplication/privacy-policy>” to comply with the Anti-Money Laundering Law.



Since BJC has committed to protect customer's personal information, various mechanism and processes are established to ensure effectiveness of preventive measure through monitoring process in accordance with customer privacy policy. The marketing department have also integrated data privacy risk-related issues as part of the enterprise risk management for preparing appropriate measures to mitigate the risk. In the event that customer wishes to report violations related to privacy, a customer service channel on 1756 has been provided for direct contact to related department.

In addition, the marketing department will propose related concerns to relevant executive management, depending on the severity of each case. Disciplinary action, such as verbal and written warnings, detention, expulsion or legal action, may be taken in situations containing violations since customer privacy is of the utmost importance to BJC. As a result of efficient data management, there were no substantiated reports issued by BJC over consumer privacy violations in 2020.

### MAINTAINING OF CUSTOMER INFORMATION

As an additional data protection measure, The Management Information System Department (MIS), manages BJC's internal server in accordance with international standard. The department define authorization to access data by specific username and password to prevent misuse of customer information. This collected information is intentionally used for create customized promotions, foster customer loyalty, increasing the use of products, and identifying potential customers in each segment.

# COMMUNITY RELATIONS



As business environment continue to evolve towards sustainability, companies are recognising the importance and benefit of building a sustainable relationship with stakeholders, over solely focusing on attracting new ones. This attention to build and maintain good relations with stakeholders, such as communities also steam from changing social pressures, redefining expectations and relationship between companies and communities. For this reason, many companies have increase attention and resources into building an effective community relation program to build a sustainable relationship with communities, achieved through increase communications with communities, building trust and confidence, granting companies greater depth and understand of community needs, fostering the exchange of ideas to improve both operations and communities, for the benefit of both parties, in addition to safeguarding communities from unforeseeable incidents, such as the COVID-19 pandemic in 2020.

Community relations can be achieved through diverse approaches, the most common is through Corporate Philanthropy Activity and Corporate Social Responsibility (CSR), assisting to the need of people in community according to their needs. This approach also supports the United Nations' Sustainable Development Goals (UNSDGs): Sustainable Cities and Communities (11) and Partnerships for the Goals (17), contributing to sustainable.

As a company, deeply connected to Thailand, BJC have always prioritise a sustainable relationship with surrounding communities, striving to promote actions and activities that are beneficial and positive to communities. This relationship is emphasised in 2020, during the COVID-19 pandemic, which caused unprecedented widespread infection, and impact on communities and BJC's business operations alike. A lack of strong relationship with communities may result in a chain of negative consequences, including community complaints, boycotts and loss of license to operate in the area.

For this reason, BJC have established various initiatives and programs to maintain a strong relationship with communities, providing assistance and support throughout the COVID-19 pandemic.

To build a strong relationship with communities, BJC is committed to engage and collaborate with communities in order to continuously identify and develop approach and initiatives which will be the most beneficial to both BJC and communities. Guided by the **CSR Group-wide Strategy**, developed in accordance with the United Nations' Sustainable Development Goals (UNSDGs), BJC strives to maintain the uniqueness and the goodness of being a Thai retailing company, fostering good relationships with local communities surrounding each operations, with emphasis on communities within 5 to 10 Km of each operations.

## CSR GROUP-WIDE STRATEGY OF BJC

The Group-wide CSR strategy provide BJC with a guideline to contribute to the development of society dedicated to corporate social responsibility programs across a broad range of activities throughout Thailand include:

1) Education, 2) Community and Society 3) Art and Culture, and 4) Environment.



## 1. EDUCATION

BJC established a strategic educational program aligned with business strategies, creating diverse educational activities from upstream, midstream and downstream value chain. The upstream is a teacher for the future of creations; the midstream is a school and learning institutions that is the second home; and the downstream is pupil and student, who is the major output of the educational structure. BJC also initiates resilience in education approach by building abilities and skills to employees and communities.

## 2. COMMUNITY AND SOCIETY

BJC has organized actions and activities concerning the social responsibilities and ethical communities. BJC conducts several activities to contribute and assist the underprivileged people, and to improve the standard of living in human society. Furthermore, BJC commits to helping reinforce community resilience and support recovery during and after the COVID-19 outbreak.

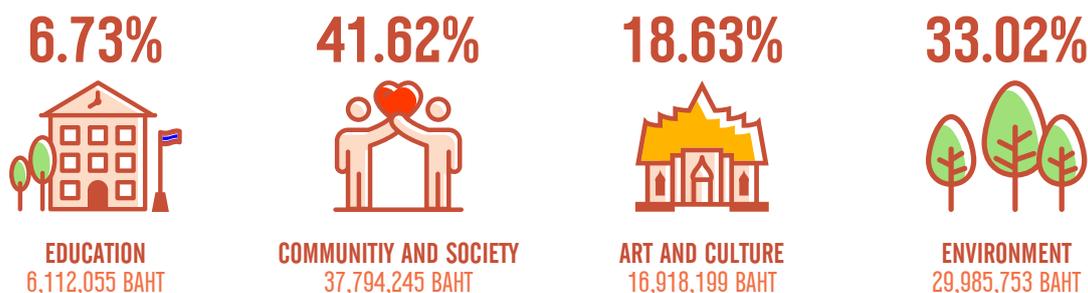
## 3. ART AND CULTURE

BJC has placed greater importance on preservation and inheritance of Thai religion, art, culture, tradition, and other ceremonies. During the ongoing COVID-19 outbreak, BJC assists to relieve the negative effects of the economic downturn through art and culture. Therefore, BJC has carried out activities to preserve Buddhism, promote custom and to drive sustainable growth for the community, and for future generations.

## 4. ENVIRONMENT

BJC places significant on conduct business in parallel with the environmental protection. BJC's actions and procedures of business processes aspire to developing and maintaining environmental health. Furthermore, BJC is committed to ensuring Occupational Health and Safety (OHS) as well as achieving long-term environmental benefits.

In 2020, BJC allocated a budget of Corporate Philanthropy Activity and Corporate Social Responsibility as follows:



BJC has established target for all of these activities as follows:

## TARGETS FOR 2022

### “SUPPORT THE CARDIAC CHILDREN FOUNDATION OF THAILAND” PROJECT

1. Support operating budget by donating to the Cardiac Children Foundation of Thailand
  2. Support product to Heart disease examination department which provides check-up in rural areas.
- The product that we support are pencil case, toothbrush, milk, snack and beverage etc.

CSR	PERFORMANCE	PROPOSED TARGET	TARGET YEAR
Helping Children to get heart disease examination in rural areas	Performance 2019 - 460 persons 2020 - 235 persons	1,000 persons	2022

BJC has established a structure for corporate social activities based on a Community Relations Group-wide Strategy. Sustainable Development Committee has been appointed by the Board of Director for regularly supervises and provides suggestions of guidelines for conducting activities to achieve consistency with strategy that will be beneficial to all stakeholders. Furthermore, CSR department, which is part of the Human Resource Division has been set up to plan and control CSR-related activities of all business units to align with CSR corporate strategy. BJC also promotes and stimulates its executives and employees engage in all kind of volunteering activities and charitable organizations.

In 2020, the COVID-19 outbreak continues to have devastating impacts on people in the communities in terms of occupational safety and health (OSH), well-being and economic. BJC has realized the importance of assisting the community to mitigate the problems that arise. Hence, the implementation of CSR activities in 2020 places great emphasis on activities related to the COVID-19 outbreak. BJC has organized various activities and actions to provide direct and indirect assistance including collaboration with other agencies, both public and private sectors to mitigate the poverty problem, create the occupational health and safety, and building confidence in medical professionals. BJC has expected to be part of the driving force that assist Thai people get through this crisis together.

## A SUPPORT TO THE SOCIETY DURING “THE COVID-19 OUTBREAK”

BJC & Big C Foundation together with The Judge Advocate General's Department supported drinking water to Wat Tha Pra and Bon Kai's community to reduce the suffering from the COVID-19 outbreak.



BJC & Big C Foundation supported a wheelchair to Chulalongkorn Hospital, the Thai Red Cross Society, for a better treatment of receiving-sending the elderly and the disabled patients.



Additionally, BJC put importance to build relationship with other societies as outlined in the strategy. In terms of education, preservation, art and culture and caring for the environment including assistance for crises other than the COVID-19 outbreak, with examples of activities as below:

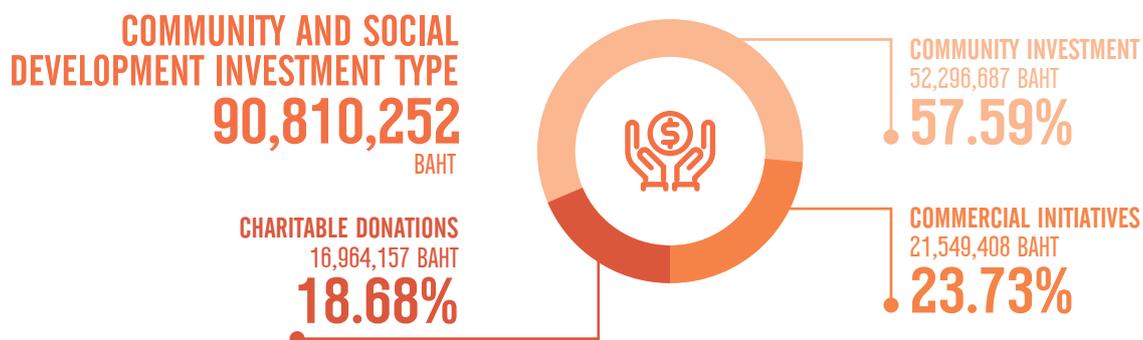
In 2020, BJC made a total of 90.81 million Baht of corporate citizenship/philanthropic contributions, which could be divided into the following groups:

## BJC'S CORPORATE CITIZENSHIP /PHILANTHROPIC CONTRIBUTIONS



BJC place the importance to create value for all stakeholders and operating business in accordance with international sustainability framework. BJC also emphasizes on maintaining a balance between economic, social and environmental aspects. Therefore, the social contribution activities are carried out with care and pure intention for responding to all stakeholders and leveraging communities' quality of life that based on sharing and conducting business with sustainability. The expenses associated with BJC's social activities are divided into 3 categories as follows:

## DJSI DRIVER FOR CONTRIBUTION 2020



As BJC operates in various business activities across Thailand in various forms, including offices, factories, warehouses, and merchandising stores, BJC places great emphasis on the communities surrounding the each operations in all product and retail areas, in order to prevent any adverse impact on business operations, which may result in negative environmental, health, safety impact and community livability and BJC's financial and reputation performance. BJC conducts a community impact assessment, in 100% of all operations by interviewing, meetings or discussions as well as communicate with community representatives or leaders for developing relationships and the needs of the target community.

Moreover, BJC has established a channel for receiving suggestions and complaints from communities to improve operations and resolve complaints with the following contact channels:

## BJC COMMUNICATION CHANNELS WITH COMMUNITIES



CALL CENTER  
1756



BJC HEAD OFFICE AT  
02-367-1111



IN-PERSON AT BIG C BRANCHES  
OR MANUFACTURING PLANTS

## 2020 HIGHLIGHTS

BJC implemented various projects that focus on continual attention to the communities, society and the environment to support the sustainable development. Projects and activities implemented can be grouped into three themes including: Education, Community Well-Being and Religion & Cultural Heritage

## 1. PROMOTION OF EDUCATION

BJC has laid out the guidelines for conducting education activities align with the CSR Group-wide Strategy of BJC for conducting business. BJC realizes that encouraging knowledge not only develops the capability of individuals, but believed that education is a foundation of the sustainable development. BJC continues to support education schemes with a few highlighted projects as follows:



### “BJC KRU THAI KHONG PHAN DIN (TEACHERS OF THAILAND)” PROJECT

BJC crystallized the management of the BJC Kru Thai Khong Phan Din (Teacher of Thailand) Project to emphasize and place the importance to the promotion of education and development of the personnel potential to enable the competition at international standard in 2014. BJC under collaboration with the Office of the Basic Education Commission (OBEC), the Teachers’ Council of Thailand (Krurusapha) and from various independent multi-disciplinary commissions, organized BJC Kru Thai Khong Phan Din (Teacher of Thailand) Project for the seventh consecutive year. The project objectives are to improve the quality of Thai teachers, opportunity and great experience provision, and pay respect to teachers as a model.

Presently, over 500 teachers attended an activity focused on developing & improving teaching. In 2020, It also helped build networks of Thai teachers around the country and gave them an opportunities to exchange and learn from different experiences, which can be applied to teaching and learning activities in schools, including those in rural areas, in order to maximize benefits for students, schools, as well as their local communities to contribute for 2021 project development.

### “REMOTE SCHOOL” PROJECT (SUPPORT THE UNDERPRIVILEGED SCHOOLS)



BJC has implemented the project for construction, renovate and maintenance of the school buildings for various schools located in rural area where educational equipment-building are scarce continually since 1999 until the present. The project has built more than 58 school buildings for various schools countrywide with total budget of over 90 million Baht with an objective to support education opportunity to children and young people. This is considered to be an increase in the potential of children and young people to have academic knowledge with opportunity to access various sources of knowledge. In 2020, BJC has completed the project to improve and renovate the study building and performed the handover ceremony of the new building as well as organized school building painting activities and install new air conditioning for Wat Sawang School in Ang Thong province, with a total budget 1.12 million Baht.

## “LIBRARY FOR KIDS” PROJECT

Asia Books Company Limited, an English bookstore under BJC, has a policy to support reading and learning of English language for young people in local school since 2010. There will be selected good quality and appropriate books to the age of pupils at various levels under the Library for Kids Project. The project is still ongoing and has provided opportunity for customers to participate. Customers’ needs to only buy a book package from Asia Books Company Limited, indicate their desire to donate the books to the Library for Kids Project, by this process the customer is able to be a part of increasing the learning opportunities for children and young people. In 2020, the books were delivered for three schools: 1) Khwaorai Suksa School in Mahasarakham province 2) Bannaplakung School in Phrae province and 3) Watdanchang School in Suphanburi province. Over the ten years of this Project, BJC has delivered over 25,000 books.



## “LEADERSHIP FOR SUSTAINABLE EDUCATION DEVELOPMENT (ConnexED)” PROJECT

The Leadership for Sustainable Education Development Project (ConnexED) is in cooperation with many private sector organizations that have supported the school’s development plan in developing a sustainable Thai educational system. During the years 2016 - 2017, BJC provided support to 2 Pracharath Schools: 1) Wathantra School (Vej Samarnrajnukul) and 2) Watkaitia School (Witthaya Sunton) in Phra Nakhorn Si Ayutthaya province for the first generation since September 2016. Presently, BJC continues to promote education for children and young people through the ConnexED project which is now in its fourth year. The project highlights the creation of learning for the school and community so that they can help themselves to sustain the future through the Hydroponic Program (growing crops without soil) and the Mushroom Farming for Sufficient Living Project, to make a living with the knowledge in tandem with moral values. The project has the target to be a source of learning the sufficiency economy for the students to integrate the learning substance with

various subjects; including the community participation in learning the process of hydroponics farming and mushroom culture with the aid of expert teacher together with special resource persons to assist with the dissemination of bodies of knowledge to enhance knowledge and vocation for students and people in the community.

Now in the fourth year of ConnexED, BJC has invested in building this new network of leaders and will continue to support this project for the second and third generation of the Pracharath School respectively.

## 2. COMMUNITY WELL-BEING

BJC has long realized that investing in a Community Well-being makes sense for its business. Currently, community well-being continues to be incorporated into every aspect of BJC’s global business, from its business and strategic planning to operations. Highlight projects focusing on this commitment are:

### A SUPPORT TO THE COMMUNITY DURING “THE COVID-19 OUTBREAK”

BJC & Big C Foundation together with Pol. Gen. Adul Saengsingkaew donated consumer goods and food to Nakhon Phanom Province, worth 100,000 baht to be distributed to people whom affected by the economic situation due to COVID-19 outbreak.





BJC & Big C Foundation donated medical supplies which worth 600,000 baht to the Department of Health Service Support under the Ministry of Public Health to clean and prevent the COVID-19 outbreak.



BJC & Big C Foundation supported 10,000 pieces of cloth mask to the Embassy of Cambodia to help Cambodians living in Thailand, affected by COVID-19 outbreak.



BJC donates 1,000 liters of alcohol to Rajamangala University of Technology Suvarnabhumi for the production of hand washing and antiseptic gel to be distributed to the surrounding community in the prevention of COVID-19 outbreak.



On behalf of BJC Big C Foundation had the honor to present 120,000 Azithromycin tablets to support COVID-19 treatment in the U.K. through H.E. Mr. Brian Davidson, British Ambassador to Thailand.

### “SUPPORT THE CARDIAC CHILDREN FOUNDATION OF THAILAND” PROJECT

The fundamental purpose of the foundation is to provide both medical and non-medical assist to children with heart diseases. Big C has cooperated with the customers launched a fundraising campaign for the Cardiac Children Foundation of Thailand under the Royal Patronage of H.R.H. Princess GalayaniVadhana Krom Luang Naradhiwas Rajanagarinda to support heart surgery in children in 2016. On account of the fact that many infants in Thailand are born with cardiac diseases, and more than half of them are needed to have an operation. Heart surgeries for newborn babies can change the future outlook for a baby diagnosed with a cardiac problem, from living an existence without hope of having a potentially bright future.

### 3. SUPPORTING, ENHANCING AND PROMOTING RELIGION AND CULTURAL HERITAGE

Buddhism in Thailand has represented a significant role in the development of its culture and community. Numerous projects have been implemented by BJC, to support and generate income for Buddhism as well as the maintenance and conservation of Buddhism in order to sustainably support Thai traditions and culture. In 2020, BJC promoted this commitment through the following activities:



## SUPPORTING RELIGIOUS INSTITUTION AND CULTURAL HERITAGE

In many areas of Thailand, communities revolve significantly around temples and religious institutions, regardless of their generation. BJC, consequently, aims to be an active member of community by supporting and instilling foundational understanding and awareness of nation, religion and the monarchy. Building this knowledge supports the communities to be empathetic and respectful to others.

BJC has funded to various schemes including publishing Islamic calendars, funding religious education for many monks, enhancing the royal institution, and hosting communal events with temples. In the light of all projects, it results increasing good relations with the communities, societies, and temples in agreement with the policy of BJC.

# ABOUT THIS REPORT

Berli Jucker Public Company (BJC) and its Subsidiaries (hereafter “BJC”) have continued its commitment towards sustainability. Guided by the commitment to **Growing Sustainability Together**, BJC is proud to publish the annual sustainability report for the second consecutive years, a continuation from 2020. The sustainability report serves as an additional channel for BJC to communicate its commitment, approaches, and performance to all stakeholders regarding its strategic direction guided by the sustainability policy and framework. The sustainability report covers BJC’s economic, social, and environmental performance during 1<sup>st</sup> January until 31<sup>st</sup> December 2020. Details on BJC’s net profit is available on the corporate website [http://investor.bjc.co.th/financial\\_highlights.html](http://investor.bjc.co.th/financial_highlights.html) and the Annual Form 56 - 1 (one report) 2020 on page 111.

The Sustainability Report has been framed to consider both internal and external stakeholders’ perspectives to gain a comprehensive and complete view of BJC’s sustainability performance. The sustainability report’s content has been structured in accordance with the GRI Standards: Core option. This year, the reporting theme is **Business Resilience**, encompassing BJC’s ability to continue business operations and remain resilient when faced with unpredictable risks and crisis, such as the outbreak of the coronavirus pandemic (COVID-19). This is achieved through the implementation of sustainability initiatives and projects, allowing BJC to satisfy all valued stakeholders’ expectations throughout the value chain.

In 2020, economic performance are consolidated and disclosed according to the requirements of the Form 56 - 1 (One Report) 2020, while social and environmental performance data disclosed were subjected to independent third-party verification by Lloyd’s Register International (Thailand) Limited. The sustainability report will cover all the performance from three out of five main supply chains, namely Packaging Supply Chain, Consumer Supply Chain, and Modern Retail Supply Chain, while only the Social performance from the Health Care Supply Chain will be disclosed. Due to available information restrictions, performance from the Technical Supply Chain are excluded from the report. Furthermore, only performance from subsidiaries registered in Thailand, in which BJC holds over 50% shares, are reported, as such, environmental and social performance information collected and disclosed in the sustainability report account for approximately 88% and 85% of the total revenue, respectively, while the performance of Full-time equivalent employees covers 90% of all employees are disclosed in the report.

# PACKAGING



# CONSUMERS



# MODERN RETAIL



# HEALTHCARE



# REPORTING BOUNDARIES FOR SOCIAL AND ENVIRONMENTAL PERFORMANCE

NAME OF COMPANY	SOCIAL PERFORMANCE		ENVIRONMENTAL PERFORMANCE			
	OCCUPATIONAL HEALTH AND SAFETY	HUMAN RESOURCE	ENERGY	WATER	WASTE	EMISSIONS
1. Berli Jucker Public Company Limited	●	●	●	●	●	●
Packaging Supply Chain						
2. Thai Glass Industries Public Limited Company	●	●	●	●	●	●
3. Thai Malaya Glass Company Limited	●	●	●	●	●	●
4. BJC Glass (Thailand) Company Limited	●	●	●	●	●	●
5. Thai Beverage Can Company Limited	●	○	●	●	●	●
Consumer Supply Chain						
6. Berli Jucker Cellox Company Limited	●	●	●	●	●	●
7. Rubia Industries Limited	●	●	●	●	●	●
8. Berli Jucker Foods Limited	●	●	●	●	●	●
Modern Retail Supply Chain						
9. Big C Supercenter Public Company Limited	●	●	●	●	●	●
10. Berli Jucker Logistics Company Limited	●	●	●	●	●	●
11. BJC Move Company Limited	●	●	○	○	○	○
12. Asia Books Company Limited	○	●	○	○	○	○
13. C Smart Solutions Company Limited	○	●	○	○	○	○
Healthcare supply Chain						
14. BJH Investment Company Limited	○	●	○	○	○	○

Remark: Economic performance including BJC, subsidiaries, and associated companies are disclosed in the annual Form 56 - 1 One Report 2020

## CONTACT POINT:

For additional information or inquiries about content published in the report, please contact the sustainability working team at: **Berli Jucker Public Company Limited – Sustainability and Risk Management Division** Address: Berli Jucker House (Headquarter) 99 Soi Rubia, Sukhumvit 42 Road, Phrakanong, Klongtoey, Bangkok, Thailand Tel: 02-367-1111 Email: sustainability@bjc.co.th

# BJC SUSTAINABLE DEVELOPMENT

As a continuation from 2019, BJC adopted sustainability principles and approach, integrating sustainability considerations throughout the company, covering environmental, social and governance (ESG) dimensions in all business decisions, strategies, and targets. This transition not only drive corporate sustainability, ensuring business resilience when faced with emerging and unpredictable risks and opportunities, and also contributes to the United Nations Sustainability Development Goals (UNSDGs) promoting sustainability throughout the value chain.

## BJC SUSTAINABILITY POLICY

To better integrate sustainability into the organization, to develop a sustainability culture, BJC established a Sustainability Policy in 2020 as an underlining framework to govern the company's sustainability approach. The policy covers all 3 sustainability dimensions, as follow.

- Compliance with all applicable international practices and laws and regulations of the country of operation.
- Consider the balance between economic, social and environmental aspects, and all stakeholders in operations to achieve a sustainable business growth
- Raise awareness about Groups Sustainability Policy for stakeholders as well as applying sustainable practice to enhance and reduce operational impacts throughout the value chain, Covering economic, social and environmental aspects
- Promote the continuous development of strategies and innovation production processes and products for sustainable benefits to the economy, society and environment
- Disclose sustainable performance transparently to stakeholders, by reporting performance for corporate governance, fair trade competition and business ethics, in accordance with international accepted standards guidelines to achieve continuous development

In 2020, BJC established an internal Sustainability Development Working Group, comprising of upper-level managers, responsible for implementing and monitoring sustainable policies, strategies and direction, driving sustainable culture throughout the organization and report sustainable performance and progress to the Sustainable Development Sub-Committee to track progress. The Sustainable Development Sub-Committee, then reports to all sustainability progress to the Sustainable Development committee, before reporting to the Board of Directors on a monthly bases.

# BJC SUSTAINABILITY GOVERNANCE STRUCTURE



Remark: See Entities included in the financial statement in the 56 - 1 Report 2020, Page 8 - 11

BJC strives to communicate its sustainability approach, strategies and performance to stakeholders in a transparent manner to ensure that all relevant stakeholders receive maximum benefits from BJC’s sustainability actions.

## MATERIALITY TOPICS AND BOUNDARIES

In 2020, BJC reassessed the materiality matrix, to reconfirm that the sustainability commitment and strategic directions, affecting the economy, society and environment are align with that of its stakeholders, assuring stakeholders that BJC’s sustainability approach is actively adapting operations to mitigate and manage new risk and opportunities accordingly, ensuring the business resilience in the future.

The materiality topic are identified through comprehensive assessment process, which takes both internal and external opinions into considerations. This is conducted through assembling a list of sustainability topics, relevant to the food and staple retaining sector, consolidated through benchmarking topics against global megatrends, social trends, \*global standards, and industry peers.

These topics are then presented to all relevant stakeholders through various channels such as physical, online survey and face-to-face in-depth interview. Stakeholder opinions are processes and summarised into stakeholder interests and concerns.

## MATERIALITY CONSOLIDATION PROCESS

<p><b>1. Identification</b></p>	<p>Identify material topics based on impacts on the business</p> <ul style="list-style-type: none"> <li>● Stakeholder engagement                             <ul style="list-style-type: none"> <li>○ Engagement channel</li> <li>○ Key topics (additional material topic(s))</li> <li>○ Interest/concerns</li> <li>○ BJC’s Response</li> </ul> </li> <li>● Standards and Peers review                             <ul style="list-style-type: none"> <li>○ Material topics</li> </ul> </li> </ul> <p><b>Outcome:</b> BJC’s Topic Universe (Material Topics)</p>
<p><b>2. Prioritization</b></p>	<p>Prioritize BJC’s Material topics</p> <ul style="list-style-type: none"> <li>● BJC Internal stakeholder point of view</li> <li>● BJC External Stakeholder point of view</li> </ul> <p><b>Outcome:</b> BJC’s 2020 Materiality Matrix</p>
<p><b>3. Validation</b></p>	<p>Validate with Group Management</p> <ul style="list-style-type: none"> <li>● Validate material matrix of BJC Group with management level</li> </ul> <p><b>Outcome:</b> Validated BJC’s 2020 material topics &amp; materiality matrix</p>
<p><b>4. Review</b></p>	<p>Publish Sustainability Report</p> <ul style="list-style-type: none"> <li>● Report BJC’s material topic, management approach, and performance evaluation of management approach according to GRI Standards, THSI, and DJSI CSA</li> </ul> <p><b>Outcome:</b> BJC Sustainability Report 2020</p>

## STAKEHOLDER ENGAGEMENTS

Guided by the corporate wide Sustainability framework, BJC is determine to continuously ‘Grow Sustainably Together’ with all valued stakeholders. To achieve this, the Sustainable Development working group and each business representative identifies relevant stakeholders throughout the value chain, prioritizing each group based on the dependency and influence each stakeholder groups has to BJC, categorizing the channels and frequency of engagement accordingly. Stakeholder categorization and engagement process are then reported to the Sustainable Development Committee for approval. Stakeholder engagement enabled BJC to gain a better understanding of each stakeholder group requirements and expectations towards BJC, allowing BJC to develop clear and comprehensive strategies to meet these expectations. Each stakeholder groups are engaged differently, through various channels as follow.

## BJC STAKEHOLDERS



Customers and Consumers



Shareholders /Investors



Employees



Business Partners



Suppliers/Vendors /Subcontractors



Government /Regulators



Community /Environment



Media



Internal Committees



Rental Property Owners/Creditors

## STAKEHOLDER ENGAGEMENTS

### INTERNAL STAKEHOLDERS

STAKEHOLDER	ENGAGEMENT CHANNEL	ENGAGEMENT FREQUENCY
Employees	Survey	Annually
Internal Committees	Survey	Quarterly

### EXTERNAL STAKEHOLDERS

STAKEHOLDER	ENGAGEMENT CHANNEL	ENGAGEMENT FREQUENCY
Customers and Consumers	Survey	Monthly
Shareholders/Investors	Primary Data	Quarterly
Business Partners (Joint Ventures)	Face-to-Face Interview	Quarterly
Suppliers/Vendors/Subcontractors	Survey	On occasion/ At least semi annual
Government/Regulators	Face-to-Face Interview & Calls	On occasion/ At least semi annual
Local Community	Primary Data	Monthly
Media	Face-to-Face Interview	Bi-Monthly
Rental Property Owners/Creditors	Survey	Monthly

## CHANGES IN MATERIALITY MATRIX

In 2020, there are 19 materiality topics, compared to 17 in 2019. These are reported in accordance with GRI Standards: Core option. Changes include:

- The Topic of 'Cybersecurity & Data Privacy', 'Technology, Innovation, and R&D', 'Risk & Crisis Management', and 'Raw Material Sourcing' were added to the Sustainability in 2020
- The Topic of 'Anti-Corruption' were included as part of the 'Corporate Governance & Transparency'
- The Topic of 'Diversity & Equal Opportunities' were separated, with 'Diversity' included as part of the 'Human Rights', and 'Equal Opportunities' included as part of 'Talent Attraction & Retention'

## BJC STAKEHOLDER ENGAGEMENT 2020

STAKEHOLDER GROUPS	ENGAGEMENT CHANNELS	STAKEHOLDER'S KEY INTERESTS AND CONCERNS	KEY RESPONSE ACTIONS
<p><b>Customers and Consumers</b></p> 	<ul style="list-style-type: none"> <li>• Joint business planning</li> <li>• Meeting with Key customers</li> <li>• Customer service hotline and sales person</li> <li>• Customer satisfaction surveys through "voice of customer"</li> <li>• Social media platforms</li> <li>• Call centers</li> <li>• Emails</li> <li>• Websites</li> </ul> <p>Customer service desk at retail stores</p> <ul style="list-style-type: none"> <li>• Big Card Program</li> <li>• Focus Group meetings</li> <li>• Events organized by the company</li> </ul>	<ul style="list-style-type: none"> <li>• Business opportunities regarding improvement and innovations</li> <li>• BJC's performance regarding profitability and business growth</li> <li>• Quality and safety of product and services</li> <li>• Environmental Impacts</li> <li>• Raw material sourcing practices</li> <li>• Price perception and promotions</li> <li>• Customer behavior</li> <li>• COVID-19 Management</li> </ul>	<ul style="list-style-type: none"> <li>• Foster innovation culture to continuously develop new innovation to remain competitive</li> <li>• Develop business strategy and appropriate action plans</li> <li>• Continue regular market research to identify market and customer trend to improve product and services</li> <li>• Integrate ESG criteria into corporate strategy</li> <li>• Conduct activities to build customer loyalty</li> <li>• Develop preventive and corrective action plans to ensure the achievement of expected performances during COVID-19 pandemic</li> </ul>
<p><b>Shareholders /Investors</b></p> 	<ul style="list-style-type: none"> <li>• Meeting and Conferences (both physical and virtual)</li> <li>• Corporate Website</li> <li>• Annual General Meetings</li> <li>• Extraordinary General Meetings</li> <li>• Through the Stock Exchange of Thailand</li> <li>• Telephone</li> <li>• Emails</li> <li>• Non-deal Roadshows</li> <li>• Conference Calls</li> </ul>	<ul style="list-style-type: none"> <li>• COVID-19 impact on the business</li> <li>• Business and economic performance in the volatile market condition due to COVID-19</li> <li>• Risk Management</li> <li>• Adherence with Good corporate Governance</li> <li>• Ability to compete with new competition such as online</li> </ul>	<ul style="list-style-type: none"> <li>• Developed various initiatives and projects to ensure business resilience against new and emerging risks and ability to recognize new opportunities (including COVID-19)</li> <li>• Actively conduct risk and opportunity assessment to develop appropriate management plans</li> <li>• Ensure that responsible teams are accessible and responsive</li> <li>• Increase adaptation of online channels to better cater to customers during the COVID-19</li> </ul>

STAKEHOLDER GROUPS	ENGAGEMENT CHANNELS	STAKEHOLDER'S KEY INTERESTS AND CONCERNS	KEY RESPONSE ACTIONS
<p><b>Employees</b></p> 	<ul style="list-style-type: none"> <li>• Employee orientation</li> <li>• Various comment, complaints and whistleblower channels</li> <li>• Annual Employee Satisfaction Surveys</li> <li>• Emails/Phone calls</li> <li>• Meetings (i.e. frontline and executive meetings)</li> <li>• Mobile application AMPOS</li> <li>• Weekly BJC News (Intranet Systems)</li> </ul>	<ul style="list-style-type: none"> <li>• Protection and support against COVID-19</li> <li>• Clear career development pathway</li> <li>• Culture Development</li> <li>• Occupational Health and Safety</li> <li>• Diversity and Equal opportunities in the work place (e.g. compensation, welfare, saving cooperative)</li> <li>• Adherence to Human Rights and Protection of Human rights</li> </ul>	<ul style="list-style-type: none"> <li>• Implement appropriate COVID-19 screening measures and initiatives in compliance to government regulations (e.g. Monitor body temperature, work from home arrangements, and promote good hygiene practices)</li> <li>• Provision of soft and hard skill development initiatives</li> <li>• Establishment of welfare committee</li> <li>• Permitted representation through labor unions</li> <li>• Conduct Human Rights Due Diligence</li> <li>• Establishment of investigation systems</li> <li>• Conduct corporate social responsibility activities with communities</li> </ul>
<p><b>Business Partners</b></p> 	<ul style="list-style-type: none"> <li>• Meeting</li> <li>• Phone calls</li> <li>• Email</li> <li>• Face-to-face meetings</li> <li>• Joint Business Planning (JBP) Sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Business forecast and performance</li> <li>• Safety and security</li> <li>• COVID-19 impact on business</li> <li>• Compliance with new regulatory and standards</li> </ul>	<ul style="list-style-type: none"> <li>• Develop Business Plans to monitor market changes</li> <li>• Conduct monitoring and follow-up of performance</li> <li>• Monitor new and updated regulations and update compliance accordingly</li> </ul>
<p><b>Suppliers/ Vendors/ Subcontractors</b></p> 	<ul style="list-style-type: none"> <li>• Supplier conference</li> <li>• Joint Business Planning (JBP)</li> <li>• Supplier call Center</li> </ul>	<ul style="list-style-type: none"> <li>• Business growth and direction</li> <li>• Product development</li> <li>• Transparency of supplier selection</li> <li>• Anti-Corruption</li> <li>• COVID-19 Impact on business operations</li> </ul>	<ul style="list-style-type: none"> <li>• Develop business strategy</li> <li>• Develop internal protocols including code of conduct, supplier selection standard and supplier gap analysis</li> <li>• Implement various COVID-19 management initiatives, in compliance with government regulations and best practice</li> </ul>

STAKEHOLDER GROUPS	ENGAGEMENT CHANNELS	STAKEHOLDER'S KEY INTERESTS AND CONCERNS	KEY RESPONSE ACTIONS
<p><b>Government /Regulators</b></p> 	<ul style="list-style-type: none"> <li>• Through the Stock Exchange of Thailand, The securities and Exchange of Thailand, office of Trade Competition Commission and Department of Intellectual Property</li> <li>• Face-to-face interview</li> <li>• Email</li> <li>• Phone Calls</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure compliance to regulatory requirements (e.g. accurate document disclosures, to requirements)</li> <li>• Labor Management (labor welfare, OHS, employee engagements, talent attraction &amp; retention, labor and human rights etc.)</li> <li>• Community engagement/ support for communities within 5km from operating sites.</li> <li>• Occupational Health and Safety Frequency and Severity</li> <li>• COVID-19 Infection case</li> </ul>	<ul style="list-style-type: none"> <li>• Follow and update compliance with applicable laws, regulations and standards</li> <li>• Provide appropriate resources and benefits for employees (e.g. Annual health checkup, and appropriate PPE for the job)</li> <li>• Coordinate with government /regulators to operate in compliance with applicable laws, regulations and standards.</li> <li>• Established procedures to mitigate and control emergencies and disasters.</li> <li>• Establish procedures to mitigate and control the spread and infection rate of COVID-19</li> </ul>
<p><b>Community /Environment</b></p> 	<ul style="list-style-type: none"> <li>• Visit/meeting with local authorities and communities representatives</li> <li>• Communities visits through communication with employees at factories</li> <li>• Website</li> <li>• Telephone</li> <li>• Email</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with regulatory requirements</li> <li>• Environmental impacts (e.g. Air pollutions, wastewater, noise, dust)</li> <li>• Local economic development</li> <li>• Local hires</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct regular community engagement activities (e.g. safety training for schools, knowledge sharing sessions)</li> <li>• Conduct various CSR activities to support local community development and well-being</li> <li>• Support local communities through hiring and providing concession to sell products within the company's facilities</li> </ul>

STAKEHOLDER GROUPS	ENGAGEMENT CHANNELS	STAKEHOLDER'S KEY INTERESTS AND CONCERNS	KEY RESPONSE ACTIONS
<p><b>Media</b></p> 	<ul style="list-style-type: none"> <li>Organize press conferences and group interviews to provide business directions</li> <li>Organize press trips to maintain media relationship</li> <li>Organize events to present products and services</li> <li>Rapidly solve risks and crisis cases, which affect organization image</li> <li>Support media activities such as anniversaries, CSR and rallies</li> <li>Support essential equipment in crisis situations such as the COVID-19 epidemic, support for alcohol and face masks.</li> <li>Write press releases and share key activities of the organization to the media</li> <li>Plan strategies for dissemination</li> <li>BJC Big C business units are available for media interview</li> </ul>	<ul style="list-style-type: none"> <li>Accuracy of public communication</li> <li>Frequency of activities such as press conference, group interview and press trip</li> <li>Brand engagement</li> <li>Product quality and service of each business under BJC Big C</li> <li>Expand media platform</li> <li>Crisis management plan to coordinate with the media to edit/delete press releases in various channels to avoid issues escalation, which may affect organization image. Issues such as safety (The gold heist, fire incident), health, environment, prosecution, product quality, employee illegal litigation, corporate activities that affect organization's image</li> </ul>	<ul style="list-style-type: none"> <li>Maintain strong relationship with media</li> <li>Support activity organized by the media such as anniversaries and rally activities</li> <li>Present good quality and service via sending new product to press to effect on good customer perception and experience (media = customer)</li> <li>Increase level of new media relationship via KOL, Micro-influencer to gain more customer reachability</li> <li>Plan of 24 hours to protect company's reputation</li> <li>Design and release company news in Thai and English versions</li> </ul>
<p><b>Internal Committees</b></p> 	<ul style="list-style-type: none"> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Business direction and performance</li> <li>Compliance to regulatory requirements</li> <li>Occupation Health and safety at workplace</li> </ul>	<ul style="list-style-type: none"> <li>Develop strategy, business direction and action plan to deal with change that impact to the achievement of Company's objective.</li> <li>Provide mitigating measures and corrective action plans for non-compliances</li> <li>Give direction and develop preventive action plans to ensure the effective Occupation Health and safety at workplace</li> </ul>
<p><b>Rental Property Owners /Creditors</b></p> 	<ul style="list-style-type: none"> <li>Meeting</li> <li>Emails</li> <li>Call Centers</li> <li>Letter of Proposal by landlord /project developer</li> </ul>	<ul style="list-style-type: none"> <li>Business direction and performance</li> <li>COVID-19 Management and Impact</li> <li>Land or Project proposal</li> <li>Compliance to regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>Develop business strategy and appropriate action plans</li> <li>Implement COVID-19 screening procedures for people going in/out of building</li> <li>Non-related party to the company</li> </ul>

# BJC 2020 MATERIALITY MATRIX

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- The Topic of ‘Diversity & Equal Opportunities’ were separated, with ‘Diversity’ included as part of the ‘Human Rights’, and ‘Equal Opportunities’ included as part of ‘Talent Attraction & Retention’

# BJC 2020 MATERIALITY MATRIX



- |  |                                      |
|--|--------------------------------------|
| 1. Corporate Governance and Transparency | 11. Health and Nutrition             |
| 2. Risk and Crisis Management            | 12. Waste Management                 |
| 3. Sustainable Supply Chain Management   | 13. Water Management                 |
| 4. Raw Material Sourcing                 | 14. Packaging Management             |
| 5. Human Rights                          | 15. Talent Attraction and Retention  |
| 6. Technology, Innovation and R&D        | 16. Human Capital Development        |
| 7. Cybersecurity and Data Privacy        | 17. Occupational Health and Safety   |
| 8. Climate Change                        | 18. Customer Relationship Management |
| 9. Energy Management                     | 19. Community Relations              |
| 10. Product Quality and Safety           |                                      |

MATERIAL TOPICS	GRI TOPICS	INTERNAL STAKEHOLDERS	EXTERNAL STAKEHOLDERS	TOPICS DISCLOSED IN THE REPORT	SUSTAINABLE DEVELOPMENT GOALS
Corporate Governance and Transparency	Governance GRI 102-17, GRI 102-18	All Businesses	Government/Regulators, Shareholder/Investors	Corporate Governance Structure and Commitment	 
Risk and Crisis Management	Precautionary Principle GRI 102-11	All Businesses	Government/Regulators, Shareholders/Investors	Risk and Crisis Management Procedures	
Supply Chain Management	Supply Chain GRI 102-9 Assessment of Environmental and Social Criteria GRI 103, GRI 308, GRI 414	All Businesses	Suppliers/Vendors/ Subcontractors, Business Partners	Sustainable Supply Chain Management	  
Product Quality and Safety	Customer Health and Safety GRI 103, GRI 416	All Businesses	Customers and Consumers Shareholders/Investors	Product Quality and Safety Assurance	   
Health and Nutrition	Marketing and Labeling GRI 103, GRI 417	All Businesses	Customers and Consumers	Health and Safety Controls	 
Customer and Consumer Relationship Management	Customer Relationship GRI 103	All Businesses	Customers and Consumers	Customer and Consumer Relationship Management and Privacy	 
Cybersecurity and Data Privacy	Customer Privacy GRI 418-1	All Businesses	Customers and Consumers	Cybersecurity and Data Privacy controls	
Technology, Innovation and R&D	Technology GRI 103	All Businesses	Suppliers/Vendors/ Subcontractors	Technology, Innovation and R&D management and culture	 
Human Rights	Human Rights Assessment GRI 103, GRI 412 Labor/Management Relations GRI 103, GRI 402 Diversity and Equal Opportunity GRI 103, GRI 405 Non-discrimination GRI 103, GRI 406	All Businesses	Suppliers/Vendors/ Subcontractors, Business Partners	Human rights Commitment and Controls	   
Human Capital Development	Training and Education GRI 103, GRI 404	All Businesses	Suppliers/Vendors/ Subcontractors, Business Partners	Human Capital Development	 
Talent Attraction and Retention	Employment GRI 103, GRI 401	All Businesses	Suppliers/Vendors/ Subcontractors, Business Partners	Talent Attraction and Retention Procedures	 
Occupational Health and Safety	Occupational Health and Safety GRI 103, GRI 403	All Businesses	Suppliers/Vendors/ Subcontractors, Business Partners	Occupational Health and Safety Procedures and Controls	 
Community Relations	Local Communities GRI 103, GRI 413	All Businesses	Community/Environment	Community Relationship Management	  
Climate Change	Emissions GRI 103, GRI 305	All Businesses	Community/Environment	Climate Change Commitment and Management	 
Energy Management	Energy GRI 103, GRI 302	All Businesses	Community/Environment	Energy Management	 
Waste Management	Effluent and Waste GRI 103, GRI 306	All Businesses	Community/Environment	Waste Management and Controls	 
Water and Wastewater Management	Water and Effluent GRI 103, GRI 303	All Businesses	Community/Environment	Water and Wastewater Management	 
Raw Material Sourcing	Raw Material Sourcing GRI 103	All Businesses	Customers and Consumers, Suppliers/Vendors/Subcontractors	Effective Raw Material Sourcing	  
Packaging Management	Material GRI 103, GRI 301	All Businesses	Customers and Consumers	Packaging Management and Compliance	   

## DATA PERFORMANCE

### ENVIRONMENTAL

DIRECT GHG (SCOPE 1)	UNIT	FY 2017	FY 2018	FY 2019	FY 2020
Total direct GHG emissions (Scope 1)	metric tonnes CO <sub>2</sub> equivalents	356,894.00	397,760.00	410,082.00	340,526.18
Data coverage (as % of denominator)	<i>percentage of:</i> BJC Group total revenues	89.02	89.93	87.69	87.58

INDIRECT GHG (SCOPE 2)	UNIT	FY 2017	FY 2018	FY 2019	FY 2020
Indirect greenhouse gas emissions from energy purchased and consumed (scope 2)	metric tonnes of CO <sub>2</sub> equivalents	699,195.00	702,006.00	729,029.00	594,703.65
Data coverage (as % of denominator)	<i>percentage of:</i> BJC Group total revenues	89.02	89.93	87.69	87.58

TOTAL ENERGY CONSUMPTION	UNIT	FY 2017	FY 2018	FY 2019	FY 2020
Non- renewable fuels (nuclear fuels, coal, oil, natural gas, etc.) purchased and consumed	MWh	1,395,264.62	1,548,751.72	1,586,919.92	2,044,934.73
Non- renewable electricity purchased	MWh	1,319,588.81	1,423,271.73	1,485,063.00	1,206,571.66
Steam/heating/cooling and other energy (non-renewable) purchased	MWh	2,313.98	4,015.38	2,851.31	869.27
Total renewable energy (wind, solar, biomass, hydroelectric, geothermal, etc.) purchased or generated.	MWh	72.78	2,056.99	24,325.40	41,723.33
Total non- renewable energy (electricity and heating & cooling) sold	MWh	0	0	0	0
Total non-renewable energy consumption	MWh	2,717,167.41	2,976,038.83	3,074,834.23	3,252,375.67
Data coverage (as % of denominator)	<i>percentage of:</i> BJC Group total revenues	89.02	89.93	87.69	87.58

WATER CONSUMPTION	UNIT	FINANCIAL YEAR 2017	FINANCIAL YEAR 2018	FINANCIAL YEAR 2019	FINANCIAL YEAR 2020
Withdrawal: Total municipal water supplies (or from other water utilities)	ML	9,574.39	9,792.31	10,831.61	9,563.85
Withdrawal: Fresh surface water	ML	100.01	71.98	76.26	13.91
Withdrawal: Fresh ground water	ML	177.34	185.59	182.99	179.00
Water Discharge	ML	7,409.88	7,668.85	7,984.70	7,421.15
Water consumption	ML	2,441.86	2,381.03	3,106.16	2,335.61
Data Coverage (as % of denominator)	<i>percentage of:</i> BJC Group total revenues	89.02	89.93	87.69	87.58

WASTE DISPOSED	UNIT	FY 2017	FY 2018	FY 2019	FY 2020
Total waste generated	metric tonnes	50,175.51	58,194.91	56,360.93	68,957.13
Total waste used/ recycled/sold	metric tonnes	33,128.07	37,336.37	33,673.28	27,444.48
TOTAL WASTE DISPOSED	metric tonnes	17,047.44	20,858.54	22,687.65	41,512.65
Data coverage (as % of denominator)	<i>percentage of:</i> BJC Group total revenues	89.02	89.93	87.69	87.58

## MATERIAL

MATERIALS USED* (TONNES)	2020	RECYCLED INPUT MATERIALS USED*	2020
Total materials used	1,016,782.84	Total recycled input materials used (Tonnes)	703,735.56
Total non-renewable materials used	878,591.52	% Recycled input materials used	69.21%
Total renewable materials used	138,191.32		

Remark: Exclude Raw material from Retail business

## HEALTH AND SAFETY

FATALITIES	FY 2017	FY 2018	FY 2019	FY 2020
Employees	0	0	0	0
Contractors	0	0	0	0

	WORKING HOURS
Employees	89,640,862
Contractor	28,014,878

LTIFR - EMPLOYEE	UNIT	FY 2017	FY 2018	FY 2019	FY 2020
Employees	n/million hours worked	2.52	2.45	2.26	3.31
Data coverage (as % of employees, operations or revenues)	<i>Percentage of:</i> Revenues	89.02	89.93	87.69	87.58

LTIFR - CONTRACTOR	UNIT	FY 2017	FY 2018	FY 2019	FY 2020
Contractors	n/million hours worked	0.70	0.66	0.87	0.79
Data coverage (as % of employees, operations or revenues)	<i>Percentage of:</i> Revenues	89.02	89.93	87.69	87.58

## EMPLOYEE

PERFORMANCE	UNIT	2017		2018		2019		2020	
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Total employees	Person	37,954		40,294		40,491		35,400	
		16,536	21,418	17,305	22,989	16,802	23,689	14,291	21,109
Employees by Employment Contract									
Total employees with permanent contracts	Person	37,157		39,513		39,640		35,187	
		16,274	20,883	17,066	22,447	16,516	23,124	14,208	20,979
Total employees with temporary contracts	Person	797		781		851		213	
		262	535	239	542	286	565	83	130
Employees by Employment Type									
Total fulltime employees	Person	33,232		34,855		35,428		29,373	
		14,435	18,797	15,083	19,772	14,943	20,485	11,934	17,439
Total parttime employees	Person	4,723		5,439		5,063		6,027	
		2,102	2,621	2,222	3,217	1,859	3,204	2,357	3,670
New Employee Hire									
Total new employee hires	Person	33,917		40,034		36,205		19,299	
		14,272	19,645	16,245	23,789	13,396	22,809	7,222	12,077
	%	37.60	51.76	40.32	59.04	33.08	56.33	20.40	34.12
New employee hires by age group									
<30 Years	Person	11,471	14,873	13,130	18,027	10,702	17,391	5,646	8,839
	%	30.22	39.19	32.59	44.74	26.43	42.95	15.95	24.97
30 - 50 years	Person	2,744	4,714	3,085	5,719	2,655	5,368	1,549	3,218
	%	7.23	12.42	7.66	14.19	6.56	13.26	4.38	9.09
>50 years	Person	57	58	39	43	39	50	27	20
	%	0.15	0.15	0.10	0.11	0.10	0.12	0.08	0.06
Employee turnover									
Total employee turnover	%	66.04		72.60		68.94		62.12	

PERFORMANCE	UNIT	2017		2018		2019		2020	
		MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Training and Education									
Average training hours of employees	Hour	88		79		71		63.71	
		97.49	79.41	76.73	81.71	65.03	76.47	57.81	67.70
Average training hours of employees by employee category									
Top Management	Hour	119.64		8		102.19		147.56	
Management	Hour	88.27		45		59.45		169.88	
Junior Management	Hour	57.43		41.28		34.27		167.84	
Supervisor	Hour	57.05		56.68		54.94		74.27	
Officer	Hour	64.11		79.24		67.64		108.31	
Diversity and Equal Opportunity									
Employees by age									
<30 Years	Person	7,671	9,625	8,309	10,767	7,852	11,075	6,469	9,498
	%	20.21	25.36	20.62	26.72	19.39	27.35	18.27	26.83
30 - 50 years	Person	8,039	10,793	8,166	11,197	8,108	11,556	7,153	10,857
	%	21.18	28.44	20.27	27.79	20.02	28.54	20.21	30.67
>50 years	Person	826	1,000	830	1,025	842	1,058	669	754
	%	2.18	2.63	2.06	2.54	2.08	2.61	1.89	2.13
Employees by employee category									
Top Management	Person	32	24	29	27	31	26	22	10
	%	0.08	0.06	0.07	0.07	0.08	0.06	0.06	0.03
Management	Person	220	199	207	159	210	151	212	194
	%	0.58	0.52	0.51	0.39	0.52	0.37	0.60	0.55
Junior Management	Person	473	557	415	405	428	403	453	530
	%	1.25	1.47	1.03	1.01	1.06	1.00	1.28	1.50
Supervisor	Person	1,321	1,306	1,305	1,189	1,370	1,244	1,492	1,786
	%	3.48	3.44	3.24	2.95	3.38	3.07	4.21	5.05
Officer	Person	14,490	19,332	15,349	21,209	14,763	21,865	12,112	18,589
	%	38.18	50.94	38.09	52.64	36.46	54.00	34.21	52.51

COUNTRY	TOTAL EMPLOYEES	PERMANENT CONTRACTS	TEMPORARY CONTRACTS
Thailand (FTE – local 25 Company)	35,400	29,373	6,027
Malaysia	122	98	24
Laos	524	524	-
Vietnam	6,424	6,129	295
Cambodia	102	97	5

Remark: Data end of year 2020 exclude Joint venture

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