

03

DRIVING BUSINESS TOWARD SUSTAINABILITY

The First Chapter of Our Journey to Sustainability

RS Public Company Limited (“Company”) attaches great significance to continuous development on sustainability. The year 2023 is the fourth year that the Company prepared the sustainable development report. While initially setting the reporting scope to mainly cover our commerce business, we already extended to cover all business units. The objective is to achieve business goals for all 3 key dimensions which are environmental, social and governance dimensions as well as economic development to grow together in a balanced and sustainable manner.

RS LIFE ENRICHING

Elevating all aspects of people’s lives to be perfect

and adding values through creating experience, happiness and entertainment to enhance quality of life of the people and pets as well as caring for the environment through all our business units to achieve mutual growth in a balanced and sustainable manner



2020

- Self-Assessment on Sustainability
- Employee Engagement Survey
- Participation in Sustainability Assessment for THSI
- Sustainability Policy and Targets
- Customer Satisfaction Survey for Commerce Business Customers
- Corporate Governance Structure and Sustainable Development

2021

- Code of Conduct
- Corporate Governance Policy
- Information Technology Policy
- Supplier Code of Conduct for Sustainable Development
- Whistleblowing Policy and Channels
- Management of Information System Policy
- Enterprise Risk Management Policy
- Personal Data Protection Policy and Guidelines
- Anti-Corruption Policy and Guidelines

2022

- Quality Service Policy
- Environmental Management Policy
- Sustainable Procurement Policy
- Establishment of Sustainable Development Working Team
- Investment Policy for Subsidiaries and Associated Companies
- Respect for Human Rights and Fair Labor Treatment Policy
- Diversity, Equity and Inclusion Policy
- Establishment of Compliance Working Team According To Personal Data Protection Law and Cybersecurity Law

2023

- Continuous enhancement of Diversity, Equity and Inclusion Policy
- Initiative to provide career opportunities for the society in a sustainable manner through our business
- ESG assessment of key suppliers for mutual sustainable development in the future
- Support for organizing activities under RS Net Zero project to mitigate global warming
- Succession planning and determination of qualifications of senior executives
- Knowledge sharing for executives and employees on impact of climate change and mitigation of global warming
- Fostering sustainable development through continuous education and making sustainability as key performance indicator for the whole organization.

Our ultimate goal for 2030 is to transform the Company to an organization of the future with strength at all fronts, ready to propel business growth and transition to circular economy and carbon neutrality in the future. The Company also aims to attain our social mission to “Inspire and fulfill people with happiness as well as supporting the United Nation’s Sustainable Development Goal (UN SDGs)”

2024

- To start the carbon footprint appraisal of the organization.
- To attain 50% use of environmentally-friendly packaging.
- To reduce 20% of plastic use by adjusting packaging designs.

2025

- To increase proportion to 30% for products with sustainable development
- To reduce 10% of greenhouse gas emissions per production unit.

2030

- To transition to alternative/renewable energy.
- To drive the Company toward circular economy and carbon neutrality.

Key Sustainability Achievements in 2023



Inclusion in SET ESG Ratings,
the Stock Exchange of Thailand

THSI Rating : AA

“AA” ESG rating,
Stock Exchange of Thailand



“Full score” rating for 2023
Corporate Governance,
Thai Institute of Directors



“100” Score
for 2023 AGM Organizing Quality
Assesment, Thai Investors Association



“Certified as a member”
of Thai Private Collective Action
Against Corruption (CAC),
Thai Institute of Directors



“BBB”
Credit Rating,
TRIS Rating Co., Ltd.



“Energy-Saving Building”
Award from 6th MEA Energy Awards,
Metropolitan Electricity Authority

Sustainability Guidelines

3.1 Sustainability Policy and Targets

“Elevating all aspects of people’s lives to be perfect and adding values through creating experience, happiness and entertainment to enhance quality of life of the people and pets as well as caring for the environment through all our business units for achieved mutual growth in a balanced and sustainable manner”

The Company is committed to conducting our business under good corporate governance principles as a foundation to drive sustainability. The Company set a clear ultimate goal which is to achieve “balanced growth” for economic, social and environmental dimensions through responsibility and value co-creation between the Company and all stakeholders across the business value chain. To truly elevate sustainability, the Company incorporated issue management related to sustainability as a critical part of business undertaking for all related parties covering all business units, in alignment with the Company’s business strategy in the short run and the long run in the future.



Guidelines and Performance

Commitment to sustainability is considered critical to the Company’s strategy that we initially focus on commerce business as it contributes to more than half of the total revenue and has strong growth potential. The Company has a plan to extend the scope of sustainability management to all businesses in the future to ensure the alignment with policy and a unified direction. This includes the integration of environmental and social aspects in the long term into the Company’s business and investment decision making. Furthermore, the Company also benefits from organization-wide risk assessment for all business functions which allows us to see new opportunities contributing to the Company’s growth in all areas including economy, society and environment.

In 2023, the Company included sustainable development as an integral part for our business conduct. As a result, the Company fortified its business structure to raise the bar in attaining Sustainability Targets including an establishment of a unit directly responsible for sustainable development such as a formal Sustainability Working Group to drive efforts and commitments related to sustainability in both short and long term in the future.

Sustainability Strategy for 2021-2025

The Company has analyzed sustainability issues gathered from stakeholders in conjunction with practical guidelines from regulators while sustainable development is integrated with work processes agreed and approved by the Corporate Governance and Sustainable Development Committee. The purpose is to determine framework, approach, long-term strategy and later formulate operating plans with Prosperity, People and Planet as the core strategy and Principle and Share Value as the supporting strategy.

SUSTAINABILITY COMMITMENT TO HIGH PURPOSE

Elevating all aspects of people's lives to be perfect and adding values through creating experience, happiness and entertainment to enhance quality of life of the people and pets through bussiness in the Company



PROSPERITY

Elevating livelihoods of people in the society through inspirations from production innovations for health and beauty with global safety standards and systematic data warehouse management to perfectly address all customer needs.



PEOPLE

Enhancing capabilities of employees by effectively managing knowledge warehouse and delivering inspirations via knowledge to people in the society with respect to value co-creation and delivery through multiple channels covering all stakeholders.



PLANET

Undertaking business strictly according to environmental laws and regulations, fostering a mindset for employees to utilize resources economically, conserve nature and be aware of environmental impacts across supply chain as well as considering joint investment with partners who are concerned of the environment.



PRINCIPLE

Committed to becoming an efficient organization with ethical, fair, transparent and accountable business conduct who is responsible for all stakeholders including society and environment to achieve balanced and sustainable growth

SHARE VALUE Synergy through Entertainmerce Business Model for building seamless big data and seamless customer experience

Creating value for diverse products and services via extensive distribution channels that synergize each distinctive business to meet expectations of stakeholders across business value chain from upstream to downstream as well as be mindful of impacts on them.

SUSTAINABLE DEVELOPMENT GOALS



Sustainability Framework and Guidelines for 2021-2025



PRINCIPLE

COMMITMENT & TONE FROM THE TOP

Conducting business with ethics, fairness, transparency, accountability and responsibility for all stakeholders

- ▶ Code of Conduct
- ▶ Corporate Governance Policy
- ▶ Whistleblowing
- ▶ Enterprise Risk Management



PROSPERITY

R&D & STRATEGIC PARTNERSHIP

Innovating and delivering quality products and services that meet diverse needs of customers

- ▶ Green supply chain
- ▶ Information Management,
- ▶ R&D and Innovation
- ▶ Cybersecurity



PLANET

ECO EFFECTIVE & WASTE MANAGEMENT

Systematically reducing waste in business processes and cultivate a lasting environmentally conscious mindset

- ▶ Energy Saving
- ▶ Nature Conservation
- ▶ Greenhouse Gases Emission Reduction
- ▶ Systematic Waste Management



PEOPLE

MULTIPLE SKILL & MINDSET TO PASSION

Building capable workforce who can manage and pass on “knowledge” to others in a systematic manner

- ▶ Human Rights
- ▶ Knowledge Warehouse Development
- ▶ Satisfaction Guarantee
- ▶ Capability Building for Employees

Sustainability Targets and Guidelines by 2025

Core Strategies



PROSPERITY > WE DARE

The Company is among successful companies acclaimed as a business case study for its adaptability to change from modern technology and innovations in order to maintain a leading position in fast-moving business world. We take pride in our entertainment media business that does not only inspire people but also provide direct access for customers to products that suit their needs which help generate stable profit for the Company even under crisis. Moreover, the Company intends to enhance work effectiveness at all fronts to foster social and environmental responsibility.

Sustainability Targets by 2025

- 10,000 jobs created through different initiatives of the Company.
- 30% of annual revenue from products with sustainable practices.

Sustainability Guidelines

- To promote trade partnership to co-create innovations.
- To develop employee skills to push toward revenue generation from sustainability products.
- To promote various projects that build careers and generate income for people in the society.



PEOPLE > WE SHARE

The Company is consistently aware that good society is a baseline for sustainable business growth. Consequently, we promote social involvement and support while our social responsibility is not limited internally to just employees but also externally to include suppliers, customers, communities and the overall Thai society. This endeavor covers fair treatment for employees, talent development, employee health and safety, activities for public interest, whistleblowing policy and mechanism to protect whistleblowers.

Sustainability Targets by 2025

- 50% of vacant executive positions to be filled from internal promotions.
- 50% of suppliers to be assessed on sustainability.
- 95% minimum for customer satisfaction index.

Sustainability Guidelines

- To foster a learning organization with provisions of offline and online curricula to enhance employee efficiency.
- To monitor sustainability performance of suppliers.
- To pass on knowledge to students, university students and general people.
- To support and donate for communities to promote good quality of life.



PLANET > WE CARE

The Company realizes that number of world population is on the rise which can potentially cause exploitation of natural resources and energy, affecting human and ecosystems in general. Therefore, the Company encourages people to have a mindset that concerns of utilization of energy and natural resources and acknowledge that it is a material issue and everyone's responsibility to work together to achieve the most efficient utilization. Resources can be reused again in production processes which can alleviate the crisis on resource scarcity that is happening and lead to sustainable growth in the future.

Sustainability Targets by 2025

- 50% of packaging made from environmentally-friendly materials.
- 10% reduction of greenhouse gas emissions per production unit

Sustainability Guidelines

- To promote 5R principle through various projects to reduce number of useful items to be thrown away, reuse again to extend the lifespans, recycle to be further utilized, repair to preserve the condition, and reject the use of harmful materials.
- To adjust business processes to mitigate environmental impacts.
- To cultivate socially-responsible mindset for employees and stakeholders.



PRINCIPLE

< WE ARE >

SHARE VALUE

The Company is committed to conducting our business under good corporate governance principles as a foundation to drive sustainability. The Company set a clear ultimate goal which is to achieve “balanced growth” for economic, social and environmental dimensions through responsibility and value co-creation between the Company and all our stakeholders across the business value chain. To truly elevate sustainability efforts, the Company incorporated issue management related to sustainability as a critical part of business undertaking for all related parties covering all business units and in alignment with the Company’s business strategy in the short run and the long run.

The Company has a strong intention to manage stakeholders effectively and fairly by adopting practical guidelines to identify key stakeholders and incorporate expectations of stakeholders into the operations of every unit consistent with business strategy of the Company. Monitoring and communication with stakeholders must be in place while the Company emphasizes relationship building with key stakeholders including shareholders, employees, customers, suppliers, government, communities and society. This objective is to co-create value and achieve balanced growth in the future together.

Sustainability Targets by 2025

- “Excellent” rating from corporate governance evaluation from the Thai Institute of Directors
- “100” score (full score) from AGM Quality Assessment of Thai Investors Association.
- “Certified as a member” of Thai Private Collective Action Against Corruption (CAC).

Sustainability Guidelines

- To establish good corporate governance structure at all levels at the Company.
- To foster good corporate governance internally within the organization and with stakeholders.
- To promote understanding and acknowledgment through relevant training.

Sustainability Guidelines

- To share knowledge and experience from the Company’s operational excellence for people in the society.
- To build network of experts inside and outside the organization.
- To incorporate sustainable development as a part of business operations.
- To apply knowledge from training to practical work as well as continuously assessing and enhancing sustainable development process.
- To disclose sustainability performance in a transparent manner, in alignment with international reporting guidelines.

Driving and Monitoring Sustainability Strategy

The Company appointed “Corporate Governance and Sustainable Development Committee (CG & SDC)” to be directly responsible for pushing forward integrated efforts on sustainability while “Sustainable Development Working Team” is assigned to be the operational task force who reports performances related to ESG practices to the Corporate Governance and Sustainable Development Committee and proposes the Board of Directors on a quarterly basis.

The Corporate Governance and Sustainable Development Committee has the following roles and responsibilities:



The Company adheres to the 5-year Sustainable Development Plan (2021-2025) as guidelines for sustainable business conduct and already completed over 60% of the plan while key performances in each category are disclosed in complete.

Nevertheless, the Company shall review the Sustainable Development Plan annually to keep up with global change in accordance with the Sustainable Development Goals of the United Nations to meet international standards and to be in alignment with the Company’s business directions. This reflects our firm intention to conduct business with environmental, social and governance considerations as well as delivering maximum return to all stakeholders.