

HUMAN RIGHTS

Principle# 1: The business should support and respect the protection of internationally proclaimed human rights.

Principle# 2: The business should make sure that it is not complicit in human rights abuses.

KCE is dedicated and committed to upholding the United Nations Universal Declaration of Human Rights and all other international, regional and/or local laws that apply to KCE, such as the Thai Labour Standards: Corporate Social Responsibility of Thai Business (TLS 8001-2010), the Labour Protection Act, B.E. 2541 (1998) and its amendments, the Labour Relations Act, B.E. 2518 (1975) and its amendments, the Social Security Act, as well as the Workmen Compensation Insurance Act.

POLICIES AND SYSTEMS

- To ensure that KCE is constantly improving its commitments to the UN's Universal Declaration of Human Rights, KCE has continually reviewed and revised its policies and strategies to support human rights. Top Management shall define the policy on social and labor accountability by a written document and formal declaration, expressing the intention to confirm the requirement of human rights, employment conditions and working condition standards.
- KCE appointed an Employee & Welfare Committee comprised of employer and employee representatives to be responsible for carrying out activities related to the application to the requirement of the Thai Labour Standards.
- KCE shall conduct appropriate measures related to occupational safety and health covering all areas and types of work, which may be harmful to worker's health and safety, in accordance with laws and occupational safety and health standards. In order to prevent harm and to decrease risk factors, KCE arranges a safe working environment and provides the following for its workers:
 - a) An opportunity to participate in the management of occupational safety and health.
 - b) An opportunity to obtain access to information concerning hazards that may arise from the working process or working environment.

- c) Knowledge and awareness of rules, regulations, code of practice or guidelines concerning occupational safety and health.
 - d) Training related to occupational safety and health focusing on issues that are newly assigned or re-assigned for the performance of work.
 - e) Safety equipment in accordance with safety standards and suitable for working conditions of each worker.
- KCE shall not engage in or support any discrimination in respect of employment, payment of wages and remuneration, providing welfare and opportunities for training and development, promotion, termination of employment or retirement, and so on, due to national extraction, race, religion, language, age, sex, marital status, personal attitude on gender or sexual orientation, invalidity, HIV/AIDS, AIDS patients, trade union membership, employee committee, political affiliation or personal opinion.
 - KCE ensures that corporate social responsibility, of which human rights is the core component, being an integral part of the company's strategy and that KCE will continue to operate its business in responsible manner for the community.
 - KCE shall provide for and maintain procedures to evaluate and select suppliers or subcontractors who conform to the requirement of the Thai Labour Standards in regard to human rights.

ACTIONS

- Phase 1 of the new KCE plant at Latkrabang started operations in the beginning of 2015, and Phase 2 was implemented in 3Q15 and completed the transfer of operations from the old plant in the middle of 4Q15. In 2016, Phases 1 & 2 of the new plant ramped up capacity to the highest utilization rate. Phase 3 of the new plant started partially at the end of 2016 and continued throughout 2017-2019.
Various measures related to occupational safety and health covering all areas and types of work that may be harmful to workers' health and safety were increasingly put in place at the new plant facilities in accordance with laws and occupational safety and health standards.
- During 2019, the Company participated in safety, occupational health and environmental workplace activities, as follows:
 1. Reported a 98.73% achievement rate in compliance with its safety plan for 2019.
 2. The Safety Unit performed the following activities:
 - An emergency drill for natural gas leakage on December 20, 2019
 - An emergency drilling for an LPG leakage on September 21, 2019
 - An emergency drilling for an X-ray leakage on December 10, 2019
 - An emergency drilling for a chemical substance leakage on October 4, 2019

- An emergency drilling for a hot oil leakage on December 24, 2019
- An annual emergency fire drilling and evacuation procedure performed twice in 2019
- A safety week exhibition on November 29 - December 2, 2019
- An annual medical examination at Kasemrad Ramkhamhaeng Hospital
- An assessment regarding safety environment in the workplace
- An improvement of Fire Protection system and emergency equipment:
 - Replacement of 39 existing fire extinguishers (CO₂, 10 lb.) on the 2nd floor
 - Additional installation of 2 fire extinguishers (CO₂, 50 lb.) in area of SM-Post Bake and 2nd floor Walk Way
 - Installation of a Smoke Detector in the Plasma room
 - Improvement of fire safety equipment
 - Checking the auto fire fighting foam
 - Installation of the fire exit doors and the exit signs
- During 2019, the Company conducted Customer Satisfaction surveys in various categories, such as technical support, quality performance of product, on-time delivery, problem responsiveness, competitiveness, logistics, accuracy of documents and communication. The results were satisfactory (in a level of 70%-95%).
- KCE appointed a Management representative of the operations of the Labour Standard. (HR announcement #035/2018 - 036/2018 dated June 6, 2018). The main responsibility was to enforce the regulation of the Thai Labour Standard in practice, develop a working plan, and monitor and report achievements in order to comply with Labour standards.
- KCE established a Committee for overseeing the practice to conform with the Thai Labour Standard (HR announcement #039/2018, dated June 6, 2018).
- KCE announced the policy of the CSR and Labor (HR announcement #037/2018, dated June 6, 2018).
- KCE announced the policy of prohibiting of misconduct and sexual harassment (HR announcement #038/2018, dated June 6, 2018).
- KCE appointed an Emergency Response Team (ERT) for each shift, 14 persons per shift. (HR announcement #HR025/2016 dated March 9, 2016), to be ready for the protection and/or stoppage of any serious emergency event.

2019 Training Plan and ERT Meeting topic was as follows:

- Using SCBA and searching the victim
- Work Instruction (WI) for the Emergency plan and the Training on wearing a Fire suit

- Simulation of the fire fighting in the Burner area, a drill on the usage of the fire extinguisher and working as a team
- Meeting on the identified risk area and the survey of risk area
- Simulation of the fire fighting in the Solder mask Post Bake area, and a drill on the usage of the fire extinguisher and practice on the incident
- Meeting on the suppression of the chemical substance leakage
- Simulation of the fire incident in the Black oxide area, and a drill on the usage of the fire extinguisher and practice on the fire prevention.
- First aid and a procedure for moving the injured person
- Simulation of the fire incident in the Skimming area, danger for the fire fighting team and the fire prevention
- Using PCBA and the fire fighting as a team
- Meeting for the annual fire drill plan
- KCE elected a Committee for the Safety, Health and Working Environment (HR announcement #049/2019), effective August 23, 2019, to August 22, 2021. The Committee consisted of 10 supervisors from the employer and 9 representatives from employees. The main responsibility was to establish a safety policy, provide recommendations for improvement, promote safety activities, oversee the safety manual and practice guidelines, set a training plan and assess the operating results of the Committee in reporting to the Company.
- KCE established the Clinic for safety in the working activity (HR announcement #027/2018, April 18, 2018.)
- KCE appointed safety officers at all levels: supervisor and management (HR announcement #HR026/2019 dated May 21, 2019 and HR034/2019 dated May 22, 2019).
- KCE planned to establish and implement ISO45001:2018, the Occupational health and safety management systems (OH&S) in quarter 2 2020. A Committee was appointed, working team was identified, the meeting was undergone among concerned parties and Hazard identification & risk assessment was initiated on each activity and working area. The Committee was working toward certification of the Stage 1 and Stage 2.
- KCE appointed a KPI Committee since 2017. The main responsibility was to set KPI for the Plant, assess the KPI evaluation results, monitor KPI reporting efficiency, make suggestion for improvement and oversee problems regarding KPI.
- KCE appointed an Educational Fund Committee (HR announcement #HR022/2019, March 22, 2019).

- The Company's policies and objectives are delivered through "continuous training," including occupational safety and health, technical and professional education, specific knowledge and skills training, and basic training courses to all employees as appropriate for their job and career path (see Appendix 2, training courses in 2019).
- In 2019, the Company signed a Memorandum of academic cooperation with many Institutes of Technology to create cooperation in academic purposes, such as to provide training for students or to participate in a Cooperative education project. From the training, students could develop knowledge and skills by learning from on-the-job training and from knowledge transferred from the actual situation. It is expected that students will gain the required knowledge that is truly needed by the labor market or an enterprise.
 - 1) On January 24, 2019, the Company signed a Memorandum of academic cooperation with the Samutprakan Technical College.
 - 2) On January 29, 2019, the Company signed a Memorandum of academic cooperation with the Angthong Technical College.
 - 3) On March 29, 2019, the Company signed a Memorandum of academic cooperation with the Suphanburi Technical College.
 - 4) On December 12, 2019, the Company signed a Memorandum of academic cooperation with the Petchburi Technology College.
- After a Memorandum of academic cooperation was signed since 2016, the Company continued the training for 14 first-degree students in Engineering from the King Mongkut's Institute of Technology Latkrabang (KMITL), and the King Mongkut's University of Technology North Bangkok (KMUNB), on June 3 - November 29, 2019 and May 2 – October 31, 2019.
- In 2019, another 35 students from various institutes participated in other training programs to develop various professional skills in the Company.
- KCE has continued its commitment to CSR activities (See Appendix 3).

Activity 1: Donation of old calendars to produce instruction media, Braille code, to the Foundation of the Blind in Thailand under The Royal Patronage of H.M. the Queen, ThungPhaya Thai, Ratchathewi, February 15, 2019.

Activity 2: Build a new school building for Ban Mae Hoi School, Tambon Mae Na Jon, Amphoe Mae Chaem, Chiang Mai province, and handed over the building to the school, March 2, 2019.

Activity 3: Cash donation for the purchase of medical equipment to Nong Bua Lamphu hospital, Amphoe Muang, Nong Bua Lamphu province, for Bt1,000,000, on March 17, 2019.

Activity 4: Provide plastic bottles to produce monk robes to Wat Chakdaeng, Tambon Songkanong, Amphoe PraPradaeng, SamutPrakan province, on June 8, 2019 and July 7, 2019.

Activity 5: Donation for monthly school expense of Bt20,000 per month to Wannawit school, Khlong Toei, Bangkok, starting from July to December, 2019.

Activity 6: Distributed survival kits to flood victims at Tambon Bung Mai, Ubon Ratchathani province, on October 5, 2019.

Activity 7: Donation to support a project to restore occupational skills and social welfare to become self-supporting for patients with autism at Yuwaprasart Waithayopatum Psychiatric Hospital, Amphoe Mueang, Samut Prakan province.

Activity 8: Donation for an educational fund, school supplies, sport equipment, water filters, maintenance of the canteen and toilet and recreational activity with students at Ban Nong Peeknok School, Tambon Huai Khun Ram, Amphoe Phatthana Nikhom, Lop Buri province, on November 23, 2019.

Activity 9: Provided lunch and donated consumer products to the elderly at a nursing home for the elderly in Tambon SanamChan, Amphoe Mueang, Nakhon Pathom province, on December 7, 2019.

Activity 10: The Company implemented the 'KCE sharing to the peak' project at Bann Mae Sapung School in Tambon Mae La Noi, Amphoe Mae La Noi, Mae Hong Son province, on December 7, 2019.

Activity 11: Donated 490 blankets for a project called "Get the sister ready for the coming winter" initiated by PhraPalad Wayo Thawaro of Wat Huay Sing in Tambon Mae Yuam, Amphoe Mae Sariang, Mae Hong Son province, on December 28, 2019.

PERFORMANCE

- No complaints from employees were filed with the Ministry of Labour during 2019.
- KCE was awarded an "Excellent Establishment on Safety, Health and Working Environment" certificate by the Department of Labour Protection and Welfare, Ministry of Labour, in 2010-2017.
- In 2016, the Company was awarded the TLS 8001-2010 Certificate Completion Level, Initiative Phase for the achievement of the requirements of Thai Corporate Social Responsibility issued by the Department of Labour Protection and Welfare, valid from August 15, 2016, to August 14, 2019.
- In 2017, the Company was awarded the "Thai Labour Standard: Corporate Social Responsibility for 5 consecutive years."

- In 2017, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years (2013-2017), an award organized by the Department of Labour Protection and Welfare, issued on August 25, 2017.
- In 2017, the Company was selected to be 1 of 20 factories nationwide to join the "Healthy and Happy Enterprise" project and received funds from the Thai Health Promotion Foundation (ThaiHealth). ThaiHealth is a state agency chaired by the prime minister and established by the Health Promotion Foundation Act (2001). The program focuses on four major areas: good health, minimizing risk factors that could affect health, financial relief and a happy workplace.
- In 2018, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years, an award organized by the Department of Labour Protection and Welfare, issued on August 23, 2018.
- In 2018, the Company was awarded the Certificate of "Good and Happy Workplace", an award organized by the Association for the Development of Environmental Quality, Thai Health Promotion Foundation, issued on date August 22, 2018.
- The company has already prepared to be qualified for the ISO 45001:2018 and has already certified the SGS Audit Stage 1 – Initial on 27 -28 August, 2019.
- In 2019, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive year, an award organized by the Department of Labour Protection and Welfare, issued on September 9, 2019.
- In 2019, the Company was awarded the TLS 8001-2010 Certificate Completion Level, for the achievement of the requirements of Thai Corporate Social Responsibility issued by Global Certification Service Limited, which is valid from December 16, 2019, to December 15, 2022.
- The Human Resource & Organization Development Department has continually arranged various training programs for employees throughout the year, resulting in an increase in the total number of training hours and the number of multi-skilled operators:

	2015	2016	2017	2018	2019
Total number of training hours (hrs/person/yr)	74.06	73.50	62.52	73.57	31.73
% of multi-skilled operators	69.45%	75.22%	70.00%	77.84%	80.61%

○ Assessment regarding safety environment in the workplace

	Number of check points	
	<u>Total</u>	<u>Passed</u>
Pollution from Chimney	42	42
Chemical level	63	63
Noise Level	15	10 (Project in place)
Lighting Level	70	70
Heat Level	15	15

○ Accident Statistics in 2016-2019

Type		2016	2017	2018	2019
First aid	Times	13	11	14	5
Lost days \leq 3 days	Times	16	15	18	18
Lost days > 3 days	Times	11	10	11	8
Total number of lost days	Days	245	302	185	334
Incident Frequency Rate (IFR)		5.63	4.49	5.00	4.27
Incident Severity Rate (ISR)		34.47	37.64	21.58	46.04

LABOUR

Principle# 3:	The business should uphold the freedom of association and the effective recognition of the right to collective bargaining.
Principle# 4:	The business should eliminate all forms of forced and compulsory labor.
Principle# 5:	The business should effect the abolition of child labor.
Principle# 6:	The business should eliminate discrimination in respect of employment and occupation.

Thai Labour Standards: Corporate Social Responsibility of Thai Business (TLS 8001-2010) is written within the provisional scope of the Constitution of the Kingdom of Thailand, provisions of labor laws concerning labor protection, occupational safety, health and environment, labor welfare, and labor relations. Moreover, related conventions of the International Labour Organization and of the United Nations are also brought into account.

KCE recognizes that employees are our greatest asset. To ensure that we are able to recruit, hire, and retain the talented individuals in our organization, we strive to assist all of our employees in maintaining a balanced work life and to provide flexibility to employees on an individual basis.

- KCE respects the right of a worker to establish or become a member of a trade union or other committees in the company, and the right of the worker to bargain collectively without imposing obstacles or any kind of sanction on such activities.
- KCE shall not engage in or support the use of forced and compulsory labor in any form.
- KCE shall not hire or give support to hire a young worker under the age of 15.
- KCE shall not engage in or support any discrimination in respect of hiring, employment, payment of wage and remuneration, providing welfare and opportunity for training and development, promotion, termination of employment or retirement.

POLICIES AND SYSTEMS

- Union-neutral policy: An employee representative will not be subjected to discrimination, displacement or dismissal, or other illegal actions.
- The Company's management provides facilities to the Union or employees' representative in regard to carrying out their functions:
 - collect annual union member fees via payroll deduction

- time-off with pay for union activities: union committee meeting, Union Annual General Meeting (AGM)
- arrange for a meeting venue outside the company for the Union's AGM
- provide partial financial support for union activities
- allow union activities during regular working hours, as requested
- Provide a bulletin board to post union notices
- HR administration policy addressing the issues of human rights:
 - HR policy takes into account the Company's strategy and conforms to the business ethics and the equitable treatment of employees.
 - The HR policy ensures clear, transparent and fair procedures.
 - The Company will recruit and hire a person who is suitable for the job based on skills and experience and other qualifications as required.
 - The Company will pay wages and remuneration according to the Company's pay structure, which is based on job responsibility, economics, and the wage rate of the current market.
 - The Company supports HR development as well as self-development so that employees are knowledgeable and continually increase their efficiency in carrying out their job duties.
- There is no requirement that workers lodge a financial deposit with the Company.
- KCE recognizes the importance of the workforce and prohibits any form of forced or compulsory labor. Workers in debt bondage or in other forms of forced labor are not engaged and, where found, removed.
- The Company's policy for pregnant employees is that they are prohibited to work in situations deemed detrimental to their condition, health and safety for women, and prohibited from working during the hours of 22.00 – 6.00, from working overtime and working on holidays so that they may take care of their health.
- The minimum wage age provision of Thai Labour law is 15 years. However, KCE prohibits hiring employees under the age of 18 years.
- In the recruitment process, an adequate verification method for age is employed to ensure the validity of the applicant's age.
- KCE seeks to disseminate to staff, among other relevant information, applicable laws and regulations, and international regulations ratified by the country for the eradication of child labor and current debates about these issues.
- Grievance procedures regarding discrimination, where found.
- KCE offers equal employment opportunities for all. The persons we recruit and promotions are based on merit and suitability.

- KCE has an annual performance and career development review process which provides all employees with the opportunity to receive regular reviews, regardless of job, grade, gender, age or ethnic origin.
- The recruitment and selection process for employment is based on a policy of non-discrimination and guidelines of Thai Labor Standard.
- All employees are awarded equal opportunities to develop knowledge, skill and competence that are relevant to their job. KCE started to conduct a training needs analysis for specific roles within the organization.
- The recruitment and the selection process of employees of KCE are based on a policy of non-discrimination and the guideline of Thai Labour Standards
- Salary increases for employees depend on performance and added value of an employee's work. All employees are accorded equal opportunity to develop their knowledge, skill and competence as relevant to their job.
- We seek to eradicate discrimination, increase cross-cultural understanding and eliminate workplace violence and harassment. In addition to all the above, KCE organizes in-service training such as the learning of languages, first-aid training, rules of protocol, occupational course training, personnel development courses, team work and regular social events, such as New Year parties, walk rallies, and other sport activities.
- KCE's employees are not discriminated against because of gender, race, origin, background, religion, marital status, sexual orientation, disability or age.

ACTIONS

- Board of Directors Meeting No. 5/2016 held on May 10, 2016, passed a resolution to approve an Employee Joint Investment Program of KCE Electronics Public Company Limited - No. 1 ("EJIP"). The EJIP serves as another means of compensation for employees, executives of the Company and subsidiaries, to promote a sense of ownership, to serve as a work incentive, and to encourage personnel to make a long-term commitment to the Company. Qualified employees can apply to participate in the project on a voluntary basis. Each month, the Company will deduct a rate of 4% to 20% of the basic salary of each employee who joins the EJIP, and the Company will contribute 100% of such deducted amount. However, EJIP participants must strictly comply with a silent period. The Company has already proposed the terms and conditions of the EJIP to the SEC and received approval.
The Program period starting from July 1, 2016 to June 31, 2023, the total duration of 7 years (including the silent period).

- The company appointed an EJIP Committee, HR Announcement # 037, dated June 8, 2016. The main responsibility is to establish the EJIP project and qualifications to apply for the participation, and monitor the operations of the project.
- The Company changed the working schedule for pregnant employees, from working in rotated shift to regular office hours, HR Announcement # 013, dated January 23, 2016.
- During 2019, the union cooperated with the Company's management in various activities, as follows:
 - 2019 annual collective bargaining as a forum to improve employment terms and other benefits and welfare
 - Regular meetings
 - Participation in the Company's activities as well as CSR activities
 - Member of the Employee Committee and Welfare Committee
- KCE appointed an Employee Committee and Welfare Committee since January 2012. At present, the committee is composed of thirteen representatives from employees and thirteen representatives from the employer (HR announcement #059/2017, dated September 21, 2017).The committee is responsible for proposing provisions to ensure that employees have access to adequate welfare, consider grievances from employees and resolve any conflicts, if any.

In 2019, there were six meetings in which the following topics were discussed:

- The general business situation
- KPI evaluations, KPI monthly review
- Company recreational activities
- Schooling scholarships for children of employee
- Welfare for medical expense for the employee's family members
- Food service in the canteen, the hygiene of the canteen and the canteen supplies
- Arrangement of trade union activities
- Annual working calendar and schedule for the New Year holiday
- General disciplinary procedures
- 5-S activities and the Big cleaning day
- Bus service
- OT and Leave online approval
- Additional cleaning maid for night shift
- Health Insurance for employee's family
- Budget support to the Employee's Sport club

- Miscellaneous issues: car parking, drinking water, time recording machine, wi-fi availability, wheel chair for sick employee, ventilation at SM room, toilet repair
- On February 11, 2020, collective bargaining was conducted to address issues related to working conditions and employee welfare. Negotiations reached an agreement for both parties:
 - Schedule for the Annual recreation day for 2020
 - Leaving allowance, Shift allowance, Cost of living allowance
 - Budget for the Labor Union's activity
 - Annual Salary increase rate for 2020
 - Annual bonus rate for 2019
 - A workplace for the Labor Union at the factory
 - Other employment conditions
- KCE has always been supportive of the freedom of association and the effective recognition of the right to collective bargaining.
- Prior to employment, it is our policy to be transparent about all working terms and conditions. KCE's employee policies are specified within employment contracts. These contracts clearly state the actual working conditions and their rights, and thus all employees are aware of their existence and must agree before signing an employment contract.
- Regularly review timecard, payroll and production records in respect of incorrect record keeping, incorrect or non-payment of wages and excessive overtime hours and verify their accuracy through worker interviews.
- KCE's employee manual defines work hours. The overtime procedure provides employees a form to sign if he/she agrees to render more than eight hours of duty. Those on overtime are given a premium pay rate according to Thai Labour law, travel allowance from and to their home and a meal allowance.
- KCE has a child labor employee policy for suppliers and subcontractors to follow. In its contracts with suppliers, the Company requires that suppliers declare that they do not employ child labor.
- In 2017, KCE announced the policy (HR announcement # HR036/2017, dated April 1, 2017) regarding guideline practice for child labor (age under 18 years), which is required to conform with the Labor Protect Act B.E. 2541.
- An Employee Satisfaction Survey was conducted during 1-20 October 2019, the result of which was summarized at an average of 71% (a range of min-max 63-75%), an increase from 68% in 2018 and 65% in 2017, representing a high level of satisfaction. The highest score category was remained for an intrinsic aspects of the job and a Social aspects of the job, and the lowest score category was for benefits. In general, most categories earned higher score and some remained at the same level.

- The Company continually communicates with employees in order to obtain feedback, assess their needs and problems through various channels; reports from supervisors, employee satisfaction surveys, grievances by employees via personal consultation, telephone, intranet, e-mail or comment box and etc.
- Since 2015, the "Talent Management" program had been implemented and continuously be in operation until currently in 2017. It is mainly used for personnel development planning, which is already incorporated in the SAP system. The program is based on the principle of competency management, which can help identify and develop a suitable career development plan for individual personnel, including a succession plan for key positions.
- KCE treats subcontracted labor fairly based on the same standard as used with the Company's own staff in terms of human rights, competency development, training, safety & health and working environment, incentive pay, etc. During 2019, a number of daily-subcontracted workers continued to change to the monthly-workers. Subcontracted labor is also entitled to a merit increase and an annual bonus from the Company. This has caused a major change in the workforce structure; and the turnover rate was reduced in 2019.

Subcontracted labor headcount by type:

	2015	2016	2017	2018	2019
Daily	772	871	939	921	707
Monthly	<u>796</u> (50%)	<u>767</u> (47%)	<u>926</u> (50%)	<u>1,022</u> (53%)	<u>810</u> (53%)
Total	1,568	1,638	1,865	1,943	1,517 persons

- Human Resources Department develop a 3-year road map (2019-2021)

Challenge: Support business requirement
 Customer needs
 Expansion of KCE's business
 Foundation of HR system
 Increase HR service level

- HR developed the Master Training plan for 2020
- An "Assessment Center" was set up to track HR service via on line, regarding :
 - 1) Recruitment
 - 2) Training
 - 3) Employee relation
 - 4) Employee self service (KPI, OT, Leave record, E- Pay slip ...)

- HR announcement # 053/2017, dated September 21, 2017: HR Administration Policy addressing the following issues:
 - The Company will administer the human resource in compliance to the laws and regulations relating to the HR administration.
 - HR policy takes into account the Company's strategy and conforms to the business ethics and the equitable treatment of employees.
 - The HR policy ensures clear, transparent and fair procedures and be consistence throughout the whole company.
 - All supervisors are responsible to administer their unit in line with the Company's guideline of HR policy.
 - Employees are responsible to work in their full capacity and strictly comply to the Company's practice guidelines of the Quality policy, Environmental policy, Safety policy, as well as the Company's working regulations.
 - The Company abides by the "Merit system" that will take in to account the individual knowledge and capability in considering compensation and progress in career.
 - The Company will recruit and hire a person who is suitable for the job based on skills and experience and other qualifications as required.
 - The Company will pay wages and remuneration according to the Company's pay structure, which is based on job responsibility, economics, and the wage rate of the current market that is comparable to the Company.
 - The Company will arrange necessary welfare to facilitate transportation to work.
 - The Company supports HR development as well as self-development so that employees are knowledgeable and continually increase their efficiency in carrying out their job duties.
 - The Company promotes a better quality in life of safe workplace and good occupational health.
 - The Company will maintain a good relationship and understanding between employees and management, as well as among employees, listen to employees' comment and complaint, and will consider for resolution as soon as possible.
- HR announcement #054/2017, dated September 21, 2017: The Administration of Labour Relation Policy addressing the following issues:
 - Abide by the provision of Labor law, Labor relations, agreed employment terms and related laws.
 - Settle a dispute, conflict or labor petition in according to the agreed process, otherwise use the negotiation, compromise method or arbitration instead.

- Promote the efficiency of the co-negotiation, for fairness in employment condition, working condition, and also foster good relations between employer and employee.
 - Determine policy and appropriate practice guideline in HR administration to promote the labor relations within the company to create work satisfactory for workers.
 - Do not support infringement, and do not stop any legal operations regarding freedom in association, the right to negotiate, rules and conventional practice in the company.
 - Promote and develop labor relations, based on the foundation of tradition and the national culture to create good labor relations system, which is fair to all parties and meet the social and economic needs for the country.
- HR announcement #017/2017, dated February 20, 2017: The HR regulation of early retirement.
Employee who is 55 years of age, who has worked with the company for more than 20 years, can submit the request for his/her early retirement to HR for consideration and approval.
 - In 2018, KCE announced the policy (HR announcement # HR037/2018, dated June 11, 2018) regarding the policy of Social responsibility and Labor, which is required to conform with the Labor law.
 - In 2018, KCE announced the policy (HR announcement # HR038/2018, dated June 11, 2018) regarding the Policy of the Prohibition of Misconduct and Sexual Harassment.
 - HR announcement #067/2018, dated September 4, 2018: The eligible criteria for employee's family health insurance
 - HR announcement #057/2019, dated October 15, 2019, the amendment of HR regulation of early retirement and the extension of the retirement (special case)
 - HR announcement #074/2019, dated November 8, 2019, the remuneration and selection of successor for management position.
 - The company adhered to the new amendment of the Labour Protection Act (LPA), A new category of entitlement for statutory severance pay equal to 400 days of the most recent pay rate has been added for employees who have worked for an uninterrupted period of 20 years or more.

PERFORMANCE

- KCE received accreditation from the Thai Labour Standard project of the Ministry of Labour in 2010. The Company received TLS 8001-2010 certification (Thai Labour Standard: Corporate Social Responsibility) on February 8, 2013, by having met the requirements of the Department of Labour, Protection and Welfare of the Ministry of Labour. The certification is valid until February 7, 2016.

- In 2016, the Company was awarded the TLS 8001-2010 Certificate Completion Level, Initiative Phase for the achievement of the requirements of Thai Corporate Social Responsibility issued by the Department of Labour Protection and Welfare, which is valid from August 15, 2016, to August 14, 2019.
- In 2017, the Company was awarded the “Thai Labour Standard: Corporate Social Responsibility for 5 consecutive years”
- The Company received the “Excellent Establishment on Labour Relations and Welfare” award from the Department of Labour Protection and Welfare on August 20, 2014.
- In 2015, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level in the year 2015 achievement, award organized by the Department of Labour Protection and Welfare, issued July 17, 2015.
- In 2016, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level in the year 2016 achievement, award organized by the Department of Labour Protection and Welfare, issued date August 17, 2016.
- In 2017, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years (2013-2017), an award organized by the Department of Labour Protection and Welfare, issued date August 25, 2017.
- In 2018, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years, (2014-2018) an award organized by the Department of Labour Protection and Welfare, issued on August 23, 2018.
- In 2019, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years, (2015-2019) an award organized by the Department of Labour Protection and Welfare, issued on September 9, 2019.
- In 2019, the Company was awarded the TLS 8001-2010 Certificate Completion Level, for the achievement of the requirements of Thai Corporate Social Responsibility issued by Global Certification Service Limited, which is valid from December 16, 2019, to December 15, 2022.
- In 2019, 57.67% of the Company's employees are represented by the union (2018: 58.25%).
- List of established Associations:
 - Labour Union
 - Employee and Welfare Committee
 - Safety, Health and Working Environment Committee
 - 5S Team
 - Thai Labour Standard Committee
 - Educational Fund for Employees' Children Committee

- KPI Committee
 - Environment Management Representative (EMR)
 - EJIP Committee
- In 2019, there were no conflicts between employees and the Company.
 - All employees received salary above the stipulated minimum wage.
 - KCE does not employ child labor, and all employees are over 18 years old.
 - KCE's risk management demonstrates that there are no current or planned business activities in which child labor is or is likely to be a factor. We have appropriate systems in place to ensure that we do not employ child labor.
 - We have enhanced our ability to identify opportunities to influence others to abolish child labor and are considering further embedding of this within our existing risk management system.
 - Neither employees nor the union filed a case regarding unfair treatment against the Company with the Ministry of Labour in accordance with Labour Relations Act B.E. 2518 (1975).
 - Employee complaints averaged less than 1% per year.
 - An Employee Satisfaction Survey was conducted during 1-20 October 2019, the result of which was summarized at an average of 71% (a range of min-max 63-75%), an increase from 68% in 2018 and 65% in 2017, representing a high level of satisfaction. The highest score category was remained for an intrinsic aspects of the job and a Social aspects of the job, and the lowest score category was for benefits. In general, most categories earned higher score and some remained at the same level.
 - The additional amount of provisions set aside for employee retirement benefits in the amount of Bt54.7 million in the second quarter of 2019 in accordance with an amendment of the Labor Protection Act on April 5, 2019.
 - In 2019, KCE employed 1,019 employees. All employees were above 18 years of age, and there were no employees between the ages of 15-18.

	<u>Age 18+ yrs.</u>		<u>Age 15-18 yrs.</u>		<u>Handicap</u>	
	Men	Woman	Men	Woman	Men	Woman
2013	418	387	None	None	4	1
2014	438	400	None	None	3	2
2015	450	388	None	None	4	4
2016	525	443	None	None	6	3
2017	556	452	None	None	6	3
2018	565	477	None	None	6	3
2019	549	470	None	None	6	3

ENVIRONMENT

Principle# 7:	The business should support a precautionary approach to environmental challenges.
Principle# 8:	The business should undertake initiatives to promote greater environmental responsibility.
Principle# 9:	The business should encourage the development and diffusion of environmentally friendly technologies.

KCE recognizes the importance of being a socially and environmentally conscious company. KCE is committed to supporting a precautionary approach to environmental challenges and will undertake initiatives to promote greater environmental responsibility, as well as encourage the development and diffusion of environmentally friendly technologies. KCE demonstrates our commitment through a strong set of policies and objectives that shape the scope of the business and the way that it deals with clients and suppliers.

POLICIES AND SYSTEMS

- KCE is committed to the establishment of an Environment Management System by complying with the Company's environment management policy, as follows:
 - To meet all legal requirements as well as contribute to the improvement of environmental issues.
 - Reduce waste materials.
 - An effective and efficient utilization of natural resources.
 - Continuous assessment and evaluation of the environment management system; review objectives, and targets to ensure the effectiveness of the system.
 - Promote and develop staff awareness and responsibility to the environment through communication, provision of relevant information and cooperation among staff, suppliers, customers, government agencies, the private sector and the general public.
- KCE applies a precautionary principle and seeks to minimize the environmental impact of its activities. Social and environmental impact assessments and reviews are carried out regularly in accordance with international standards and industry requirements.
- KCE aims at collaborating with stakeholders for the protection of environmental quality and values by using every effort in the utilization of energy and natural resources for a sustainable life and environment, working for the development and implementation of environmentally friendly and clean technology and

voluntarily adopting environmental management systems and environmental standards. In addition, the Company collaborates and exchanges information with local, national and international environmental organizations to that end.

- KCE adheres strictly to environmental law and other regulatory requirements, including concerned environmental directives such as RoHs, WEEE, and REACH.
- KCE provides an ongoing environmental induction training and awareness program to provide employees with an insight into our environmental efforts at both the operational and office levels.
- The Company continuously strives to improve our environmental performance by:
 - promoting environmental awareness
 - integrating environmental consideration into the business process
 - developing and applying sustainable processes and products
 - reducing the use of resources and endeavoring to prevent pollution
 - monitoring and evaluating environmental performance throughout the entire supply chain
 - engaging in dialogue with stakeholders and partnerships, and providing performance reports
 - complying with environmental legislation and relevant requirements
- KCE started to reduce paper consumption and encourage its employees to use alternative products such as recycled paper and to avoid unnecessary expense. KCE encouraged staff to correspond and communicate via electronic mail to minimize paper usage.
- Energy and natural resources are utilized effectively and efficiently. The Company has established a waste water treatment plant and an air emission prevention system to treat waste water and air before discharge.
- KCE is committed to contributing to the development of public policy and to the initiatives of businesses, government agencies, international programs and non-government organizations that will enhance environmental awareness and protection through the public release of selected research findings.
- KCE is dedicated to creating more environmental friendly products; to produce environmentally safe PCB products, and to work with our customers and raw material suppliers to produce environmental friendly products such as lead-free and halogen-free products, as well as to use environmental friendly packaging materials such as bubble sheets instead of plastic foam.

ACTIONS

- In 2016, KCE performed two internal audits, conducted two management reviews, and satisfied a surveillance audit performed by SGS (Thailand) for ISO 16949:2009.

- In 2017, the Company conducted Internal Audit System to monitor all Departments' performances to ensure the compliance to the customer's requirements and the ISO/TS 16949 quality standard. Due to the transition of ISO/TS16949 to the IATF16949, the company has already prepared and planed to be qualified for the IATF16949 quality standard in June 2018.

Stage 1 Audit will be conducted in April 2018.

Stage 2 Audit will be conducted in June 2018.

- In 2015, the Company received ISO 14001: 2004 certification (October 14, 2015 - March 28, 2017), which is the standard for environmental management. An audit is continually conducted by SGS (Thailand) to ensure that the Company complies with the policy and strictly operates according to environmental regulations.
- In 2017, the Company received ISO 14001: 2015 certification (March 28, 2017 - March 28, 2020), which is the standard for environmental management. An audit is continually conducted by SGS (Thailand) to ensure that the Company complies with the policy and strictly operates according to environmental regulations. In 2017, 2 audits were performed, in February and in September.
- The Company began operating a new plant to expand capacity in order to accommodate growth in customer orders. The new plant was designed based on the Green Building concept to be more resource friendly and efficient in accordance with evaluation criteria of the US Leadership in Energy & Environment Design Standard (LEED) by incorporating the following
 - Waste water treatment technology to reduce water usage, using a Reverse Osmosis (RO) system to treat wastewater from production to recycling.
 - 24-hour use of LED lighting in production areas to reduce electricity usage.
 - A fire sprinkler system in line with the US National Fire Protection Association Standard (NFPA).
 - A fire suppression system for specific areas such as electrical rooms that does not utilize ozone-depleting substances.
 - Full wastewater treatment in accordance with IEAT regulations.
 - A high efficiency chiller with an Atmosphere Impact Index according to LEED (Green Building Design and Construction).
 - VSD (variable speed drives) installed on pumps and AHUs.
 - A building management system is provided to monitor and control all energy consumption equipment in order to maximize efficiency during operations.
 - A Chiller Plant Manager monitors and operates chillers and pumps to ensure they operate at the highest efficiency.

- A sponge Ball-Cleaning system is utilized to clean the condenser tubes of chillers to enhance system performance.
- Generators are provided to back up life safety equipment.
- In terms of environmental operation, the Company has achieved the objectives specified by the legal rules and regulations as well as the environmental management system. In 2017, the Company arranged several activities for employees to participate in with the aim to promote and encourage environmental safety in accordance with ISO 14001 practices, as follows:
 - Promoted the Waste Separation Project; General waste, Recycled waste and Dangerous waste. The result was a better separation of the waste.
 - Promote energy saving in the office area by encouraging all departments to adjust their behavior in order to reduce electricity consumption.
 - Promote water consumption saving in the production area. The result was satisfactory.
 - Monitored the environmental management systems by a newly appointed committee for the Group.
 - Monitored waste water quality after the treatment by the Company on a daily basis; Copper content must < 2 ppm and PH level must be between 5.5 -9.0
 - Arranged 2017 Environmental activities in the Safety week event in December
 - Using of environment-friendly raw materials, by controlling the use of prohibited chemicals in the raw materials, which is in compliance to the regulations of RoHS (Directive2011/65/EU), Packaging Directive(Directive 94/62/EC)End-of-Life Vehicle (Directive 2000/53/EC),REACH and Substance of Very High Concern (SVHC) (Directive 1907/2006/EC) and Global Automotive Declarable Substance List (GASL)and implemented IMDS (International Materials Data System).
 - PCBs that the Company produced is an environment-friendly product. This was certified by a third party certified laboratory, and being recertified every year.
 - Reduction of paper usage, including paper for copying, and encouraging the use of recycled paper. The team also seeks cooperation from all departments in changing their behavior or adjusting their work patterns. The result was satisfactory.
 - Promote energy saving in office areas by encouraging all departments to change their behavior in order to reduce electricity consumption.
- Promoted safety and environment awareness through fun activities during the Safety Week event.
- HR Announcement # 030/2017, dated January 1, 2017: The Energy Conservation Policy

- The Company will develop appropriate energy management system and determine that the energy conservation is part of the Company's operations, to be in line with law and other related regulations.
 - The Company will continue to improve the efficiency of the usage of energy resources, in line with technology and conform to the good guideline practice for work.
 - The Company will set a plan and determine target to achieve in energy conservation in each year and communicate with all employee to build understanding and follow good practice.
 - The Company set that all employees and management at all levels are responsible for the energy conservation, and must be cooperated to follow the policy guideline measures.
 - The Company will provide necessary support including human resource, budget, working times, training and proposing recommendation for development of energy matter.
 - The Energy Management committee will review and amend the policy and target, as well as the energy conservation plan each year.
- Installed VSD pump CW-TP, in order to reduce electricity consumption in production area.
 - Installed Automatic compress air on demand system according to Thailand 4.0 Policy of efficiency energy management, supported by Department of Alternative Energy Development and Efficiency.
 - KCE Technology Co. Ltd. (KCET) received the Green Partner Certification from SONY on September 19, 2018, in cooperation on Sony environmental quality assurance activity "Green Procurement" according to chemSHERPA.
 - The Company was categorized under the "Universe" of 2018 ESG100 companies, who have an outstanding sustainability performance regarding the Environment, Social and Governance, in 2018, rated by THAIPAT's ESG Rating unit, the Foundation for Thailand Rural Reconstruction Movement (TRRM) under the royal patronage of His Majesty the King.
 - Established environmental plans for 2019, as follows:
 - Reduce electricity consumption usage:
Target: $\leq 6.28 \text{ Kw.hr/ Sq. ft}$
Results: $= 6.28 \text{ Kw.hr/ Sq. ft}$
 - Reduce water usage:
Target: $\leq 0.10 \text{ m}^3 / \text{Sq. ft}$
Results: $= 0.09 \text{ m}^3 / \text{Sq. ft}$
 - Water recycle:
Target: $\geq 41.00\%$
Results: $= 41.85\%$

- In 2019, the Company arranged several activities for employees to participate in with the aim to promote and encourage environmental safety in accordance with ISO 14001 practices, as follows:
 - Promoted the Waste Separation Project; General waste, Recycled waste and Dangerous waste. The result was a better separation of the waste 2019
 - Implement Electronic records to reduce paper usage by Quality Assurance : QA
 - Monitored the environmental management systems by a newly appointed committee for the Group.
 - Promote energy saving in the office area by encouraging all departments to adjust their behavior in order to reduce electricity consumption.
 - Promote water consumption saving in the production area. The result was satisfactory.
 - Using of environment-friendly raw materials, by controlling the use of prohibited chemicals in the raw materials, which is in compliance to the regulations of RoHS (Directive 2011/65/EU), Packaging Directive (Directive 94/62/EC) End-of-Life Vehicle (Directive 2000/53/EC), REACH and Substance of Very High Concern (SVHC) (Directive 1907/2006/EC) and Global Automotive Declarable Substance List (GASL) and implemented IMDS (International Materials Data System).
 - PCBs that the Company produced is an environment-friendly product. This was certified by a third party certified laboratory, and being recertified every year.
 - Training RoHS (Directive 2011/65/EC : 2015/863) to Leader arranged by Quality Assurance : QA
 - Monitored waste water quality after the treatment by the Company on a daily basis, Copper content must < 2 ppm and PH level must be between 5.5 -9.0.
 - Arranged 2019 Environmental activities in the Safety week event in December
- HR Announcement # 008/2019, dated January 18, 2019: Appointment of the internal auditor for the assessment of Environmental Management system for KCE Group, in compliance to the ISO14001:2015.
- HR Announcement # 018/2019, dated January 18, 2019: Appointment of the internal auditor for the Quality Management System of Technical Specification for Automatic Productive and Relevant Service Part, in compliance to the IATF16949:2016.
- HR Announcement # 027/2019, dated June 17, 2019: Appointment of the internal auditor for the VDA 6.3 Process Audit.
- HR Announcement # 038/2019, dated January 1, 2019: Appointment of the working Team for the Energy management. The team consists of 28 members, being supervisors and Managers from related departments such as Production, QA, Maintenance, Engineer and all supporting departments.

- HR Announcement # 039/2019, dated January 1, 2019: Appointment of the Auditor for the Energy management Committee.
- In 2019, the Company had no social or environmental legal disputes.

PERFORMANCE

- KCE was granted recertification of ISO 14001:2004 (October 2015 – March 2017).
- KCE passed the surveillance audit of ISO 16949:2009.
- In terms of environmental operation, the Company achieved the objectives specified by the legal rules and regulations as well as the environmental management system.
- The Company was certified by the "Green Industry", the Ministry of Industry, that the Company is rated "Green industry-Level 3" in the Green system, as the Company has systematically manage the environment, monitor and assess the outcome and continuously improve the results, issued by April 3, 2015 - April 2, 2018.
- In 2017, KCE was awarded the Certificate for the "Good Governance for Environment", issued by the Industrial Estate Authority of Thailand, dated December 13, 2017.
- PCB that the Company produced was in accordance with the RoHS (Directive 2011/65/EC: 2015/863) and was certified by a third party certified laboratory (SGS Thailand Limited, Laboratory Services). The performed test results of Lead, Mercury, Cadmium and 7 other restricted substances, comply with the limits as set by RoHS Directive 2011/65/EC: 2015/863.
- In 2018, the Company was awarded the Certificate of Compliance, issued by UL, dated February 23, 2018, regarding PCB product with 6 oz. copper inner layer which is certify under UL standards for safety (CAN/CSA-C22.2 No. 0.17-00- Standard for Evaluation of Properties of Polymeric Materials)
- The Company was categorized under the "Universe" of 2018 ESG100 companies, who have an outstanding sustainability performance regarding the Environment, Social and Governance, in 2018, rated by THAIPAT's ESG Rating unit, the Foundation for Thailand Rural Reconstruction Movement (TRRM) under the royal patronage of His Majesty the King.
- In 2018, the Company was certified by the "Green Industry", the Ministry of Industry, that the Company is rated "Green industry-Level 3) in the Green system, as the Company has systematically manage the environment, monitor and assess the outcome and continuously improve the results, issued by August 24, 2018 - August 23, 2021.
- KCE was awarded the following:
 - ISO/TS 16949:2009 Edition 3 (September 23, 2016 - September 14, 2018), Certificate of Quality Management System of Technical Specification for Automatic Productive and Relevant Service

Part (certified since July 18, 2003). This certification is extended to all KCE's Sales and Customer service office worldwide.

- ISO/IATF 16949:2016 Edition 1 (September 6, 2018 - September 6, 2021), Certificate of Quality Management System of Technical Specification for Automatic Productive and Relevant Service Part. This certification is extended to all KCE's Sales and Customer service office worldwide.
- Due to the transition/upgrade of ISO/TS16949 to the IATF16949, the company has already prepared and planed to be qualified for the IATF16949 quality standard in June 2018.
- ISO 14001: 2015, valid from March 28, 2017 - March 28, 2020), certified by UKAS in regard to the Environmental Management System and Quality Management System.
- ISO 9001:2008 (October 14, 2015 - September 14, 2018), certified by UKAS.
- The Company is certified as meeting the requirements of ISO 9001:2008 for the manufacturing of Multi Layer PCBs, at the new plant.

Environmental Performance in 2019

	2019 Actual measurement		Per Law
	Jan - Jun	Jul - Dec	
Air quality from chimneys			
CO Emission (ppm)	64.62	21.49	690
NOx Emission (ppm)	36.00	28.85	200
ZOx Emission (ppm)	63.96	3.84	60
Particulate (mg/Nm3)	2.15	8.09	400
Noise quality			
Average noise level 8 hrs.	83.84		85.00
Maximum noise level	100.60		140
Quantity of industrial waste			Properly Buried or Recycled Managed by licensed company
Non-toxic industrial waste (per year)	3,677Tons/ Year		
Toxic industrial waste (per year)	11,794Tons/ Year		

ANTI-CORRUPTION

Principle# 10: The business should work against corruption in all its forms, including extortion and bribery.

KCE manages its business with honesty, fairness and transparency, and is committed to being responsible to society and all stakeholders in compliance with accepted principles of good corporate governance and business ethics.

KCE is committed to achieving the highest levels of business integrity, morals and transparency through good corporate governance in responding to society and all stakeholders. Thus, fraud risk management is one of the key components applied by the Company to achieve its business objectives.

KCE believes that bribery and corruption must be tackled by all levels of society. KCE's role as a private company is to act responsibly in all aspects of how KCE conducts business, as well as to actively support relevant initiatives to combat corruption.

POLICIES AND SYSTEMS

- Zero Tolerance Policy Statement :

KCE upholds good ethics and morals as critical components in its business operations and does not tolerate any form of fraudulent or corrupt activities even if such activities would be beneficial to the Company. Thus, to ensure KCE Personnel will not disregard the risk of fraud and corruption, all KCE personnel must understand and strictly follow the Company's Anti Fraud-and-Corruption Policy, Corporate Governance and Code of Conduct Handbook and all other relevant policies, procedures, protocols and guidelines without exception.

- Anti Fraud-and-Corruption Policy

KCE has established anti-fraud and corruption policies, procedures, and measures – for instance, the Anti-Fraud and Corruption Policy, Fraud Risk Management Procedures, Corporate Governance and Code of Conduct Handbook, Political Contribution Procedures, Charitable Contribution and Sponsorship Procedures, and Gift and Entertainment Procedures – in order to create awareness and foster an anti-fraud environment within KCE.

KCE must communicate and establish steps to communicate related policies, procedures and measures to KCE Personnel as well as to communicate the policies and measures to external parties (related business partners and the public). All KCE Personnel have a duty to read, understand, and strictly follow all content of such policies, procedures and measures.

- The Company is committed to implementing an anti-corruption policy. Directors, management executives and all employees of the Company will not accept any form of corruption involving all areas of business and all related sections of the organization.
- The Company's directors are responsible for setting up a policy and ensuring that an efficient system to detect corruption is in place.
- The Company's code of conduct and the business ethics must emphasize anti-corruption.
- The Company's financial statements are reviewed quarterly and audited by a qualified external auditor who is fully independent.
- All information presented in the financial reports are correct, complete and reliable. It was prepared in accordance with generally accepted accounting principles and appropriate standards.
- KCE strives to treat all parties equally and consistently within the framework of the SET by avoiding favoritism or situations where conflicts of interest may arise.
- Directors, management executives and all employees must comply with the Company's code of conduct where sensitive issues are involved.
- Whistle blowing: The Company has a policy to receive information regarding wrongdoing, violations of the law, regulations or Good Corporate Governance principles, or corruption, directly through the Audit Committee.

ACTIONS

- KCE's Board of Directors appointed a Corporate Governance Committee on September 17, 2013. The committee is responsible for managing and controlling the Company's operations in accordance with good corporate governance, policies and related laws.
- In 2015, the CG Committee promoted the efficiency in the practice of Corporate Governance:
 - Encouraged the distribution of Corporate Governance Policy, business ethics and a code of conduct
 - Updated the corporate governance and code of conduct handbook.
 - Had all subcommittees and the CEO conduct a self-performance appraisal.
 - Established a channel for claims and suggestions on any matter so that employees and stakeholders could express their opinions independently, which led to improvements.
 - Reviewed, adjusted, assessed and updated Corporate Governance principles and business ethics to conform with the law, regulations of the SET and SEC, and good practices of international standards, and reported such compliance to the Board in each quarter.

- Throughout 2015, KCE promoted communication regarding an anti-corruption policy and fully supported the undertaking of the certification process. As a result, the Company was certified a member of CAC on April 3, 2015.
- The Company encouraged the distribution of the Anti-corruption policy and communicated with management and employees of all level in order that the policy is accounted for as a practical guideline and ensured that operation management is performed honestly, efficiently and effectively.
- At orientations provided for new employees, the Company explains KCE's business ethics, and employees must sign a form in which they agree to strictly comply with the Company's employee code of conduct.
- Regarding the anti-corruption news, HR regularly communicated throughout the organization.
- Concern Departments: HR implemented the reference check before hiring and Purchasing Department also implemented the reference check on seller and subcontractor, before procurement.
- The Company provided whistle blowing channel and investigate the petition.
- Subsequent to the CAC membership certification awarded on April 3, 2015, the Committee has placed an importance on corporate governance procedures and the compliance with anti-corruption guideline practice. The Committee assigned Internal Audit Unit to incorporate assessment criteria for anti-corruption measures on all its audit's checklist.
- In 2018, the Board continued to promote the efficiency in the practice of Corporate Governance.
- KCE appoints the Supply Chain Division to perform the screening of related business parties prior to the commencement of work. This includes potential vendors, contractors and service providers - to verify the reliability, qualification, financial health, reputation and integrity of business partners
- In February 2018, the Code of Conduct and CSR Committee was established, to review the customer's Code of Conduct and to provide the Company's Statement of commitment to the Code of Conduct for customers.
- KCE's Board of Directors fostered necessary risk management and continuously followed up the results through the Enterprise Risk Policy Committee's Report.
- KCE arranged 3 training sessions for the KCE's local supplier on "The Responsible Business Alliance (RBA) Code of Conduct:
 - 1) On December 14, 2018: 46 persons from 29 Supplier's company attended.
 - 2) On December 21, 2018: 51 persons from 32 Supplier's company attended
 - 3) On December 24, 2018: 34 persons from 25 Supplier's company attended
- In 2018, the Company's Business Ethic and Code of Conduct were communicated to a majority of local suppliers. The Company encouraged its business partners to participate in any network to fight against

any forms of corruption practices, for instance the Thailand's private sector Collective Action Coalition (CAC).

- June 2018, KCE participated in EcoVadis platform for CSR performance assessment in 4 themes: Environment, Labor practice & Human Right, Fair business practices and Sustainable Procurement.
- In 2019, the Board continued to promote the efficiency in the practice of Corporate Governance, the Board:
 - Endorsed an action plan on CG and Anti-corruption for the year 2019, together with the annual goals for cascading the plan to all for implementation.
 - Perform fraud & corruption risk assessment.
 - Encouraged the distribution of Corporate Governance Policy, business ethics and a code of conduct.
 - Oversaw the Corporate Governance Committee in reviewing, adjusting, assessing and updating Corporate Governance principles and business ethics to conform with the law, regulations of the SET and SEC, and good practices of international standards, and reported such compliance to the Board.
 - Designated the Internal Auditor unit to take role of the "Compliance Unit", and directly reported to the Audit Committee.
 - The Committee determined the policy of CSR and sustainability development.
 - Communicated throughout the organization regarding the anti-corruption news.
 - Concern Departments: HR implemented the reference check before hiring and Purchasing Department also implemented the reference check on seller and subcontractor, before procurement.
 - Provide whistle blowing channel and investigate the petition.
- In 2019, the company planned activities supporting Anti-Fraud and Corruption Policies.
 - Revision of Anti-Fraud & Corruption Policy and Fraud Risk Management Procedures.
 - Developing No Gift Policy & communicate to the company's stakeholders.
 - Inviting the company's business partners in joining the CAC.
 - Internal training courses
 - Inviting external instructor for training the company's staff
 - Sending staff to external training courses.
 - Communication via newsletters, posters, meeting to communicate information, radio canteen/KCE TV and announcement board; etc.
 - Monitoring to ensure compliance with procedures (perform internal auditing)

- During 2019, trainings were provided to senior managements and employees at all level, in fostering knowledge, understanding and awareness of the importance of complying with anti-fraud and corruption policies, procedures, and measures as well as promoting the participation of KCE Personnel in managing fraud risks, taking part to prevent and detect fraud, communicating to related business partners to illustrate the transparency and the strive to work against fraud and corruption at KCE. (See Appendix 4).
- July 2019, KCE participated in EcoVadis platform for CSR performance assessment in 4 themes: Environment, Labor practice & Human Right, Fair business practices and Sustainable Procurement.
- September 2019, KCE Joined Anti-corruption Day 2019 under the theme "Joining Forces against Corruption" held by Anti-Corruption Organization of Thailand.
- Prepared Anti-Corruption Action Plan for the year 2020.
 - Revision of Anti-Fraud & Corruption Policy and Fraud Risk Management Procedures.
 - Communicate the No Gift Policy to the company's stakeholders.
 - Inviting the company's business partners in joining the CAC.
 - Internal training courses
 - Inviting external instructor for training the company's staff
 - Sending staff to external training courses.
 - Join Anti-Corruption events
 - Communication via newsletters, posters, meeting to communicate information, radio canteen/KCE TV and announcement board; etc.
 - Monitoring to ensure compliance with procedures (perform internal auditing)
 - Preparing for CAC recertification

PERFORMANCE

- There was no fraud reported by the internal auditor for 2019.
- A business code of conduct and practical guidelines were completed in 2014 and continuously revised and updated as necessary in the following years through 2019.
- KCE undertook steps in compliance with the CAC's certification process, such as the development of anti-corruption measures, conducting self-evaluations regarding anti-corruption practices. As a result, the Company was certified a CAC member on April 3, 2015.
- SET Awards 2015: The Company was awarded the "Outstanding CEO Awards" and the "Outstanding Company Performance Awards", in a category of company with market capitalization of Bt10,000 - 30,000 million.

- The Board has committed to place importance in conducting business within the framework of Good Corporate Governance. As a result, the Company achieved an "Excellent" corporate governance score in the 2016 Annual survey by the Thai Institute of Directors Association (IOD), for the second consecutive year.
- SET Awards 2016: KCE's CEO was awarded the "Outstanding CEO Awards" (in SET) and the "Young Rising Star CEO Award". In addition, the Company was awarded the "Best Company Performance Awards", in a category of company with market capitalization of Bt30,000 - 100,000 million.
- In 2017, the Company was awarded an "Excellent" ranking for its Corporate Governance for the third consecutive years, based on a survey of listed companies, by the Thai Institute of Directors Association (IOD)
- In 2017, the Board oversight the preparation of practical guidelines for anti-corruption policy, and promote communication regarding an anti-corruption measures through all subsidiaries in the group.
- In 2018, the Board has committed to place importance in conducting business within the framework of Good Corporate Governance. As a result, the Company achieved an "Excellent" corporate governance score in the 2018 Annual survey by the Thai Institute of Directors Association (IOD), for the fourth consecutive year.
- The 2018 Audit Committee's report confirmed that:
 - The Company's financial report for the year ended December 31, 2018, was prepared in accordance with generally accepted accounting principles, and the information was accurate, complete and reliable with a reasonable application of accounting policy.
 - The Company's internal control systems are adequate and appropriate.
 - All related party transactions are part of the Company's normal course of business with regular commercial terms, sensible and fair conditions and for the maximum benefit of the Company.
 - The Company fully complies with the Public Company Act and regulations of the Stock Exchange of Thailand, as well as other laws pertaining to the Company's business.
 - Subsequent to CAC membership certification that was awarded on April 3, 2015, the Committee placed increased importance on corporate governance procedures and compliance with anti-corruption guideline practices. The Committee assigned the Internal Audit Unit to review KCE's anti-corruption guideline practices and reviewed the criteria for filing for the recertification of CAC membership. The Company received the extension of the certification on February 12, 2018 for another 3 years.

- In 2018, the Company's Business Ethic was communicated to a majority of local suppliers, 50 out of 139 suppliers (represented 96% of annual local purchase value) signed accept and returned the acknowledgement to the company.
- The Company encouraged its suppliers to participate in the Thailand's private sector Collective Action Coalition (CAC). The SME Certification Briefing was organized by IOD-CAC in February 2019, to inform SME business owners and CEOs about Corruption and CAC's SME Certification Program using the 17 checklists. This briefing is mandatory for SMEs planning to join CAC SME Certification Program. There were 4 of KCE's suppliers joined the CAC's briefing in February 2019.
- CoC and CSR Committee newly established has actively reviewed the customer's Code of Conduct and provided the Company's Statement of Commitment to the Code of Conduct for customers.
- Recent participation in June 2018, CSR performance was evaluated by EcoVadis in 4 themes (Environment, Labor practice & Human Right, Fair business practices and Sustainable Procurement). KCE has obtained a score of 59/100, while the global score distribution was 46.7/100 as an average. KCE's score meets the eligibility criteria for an EcoVadis CSR recognition medal "Silver".
- In 2019, the Board has committed to place importance in conducting business within the framework of Good Corporate Governance. As a result, the Company achieved an "Excellent" corporate governance score in the 2019 Annual survey by the Thai Institute of Directors Association (IOD), for the fifth consecutive year.
- The 2019 Audit Committee's report confirmed that:
 - The Company's financial report for the year ended December 31, 2019, was prepared in accordance with generally accepted accounting principles, and the information was accurate, complete and reliable with a reasonable application of accounting policy.
 - The Company's internal control systems are adequate and appropriate.
 - All related party transactions are part of the Company's normal course of business with regular commercial terms, sensible and fair conditions and for the maximum benefit of the Company.
 - The Company fully complies with the Public Company Act and regulations of the Stock Exchange of Thailand, as well as other laws pertaining to the Company's business.
- Recent participation in November 2019, CSR performance was evaluated by EcoVadis in 4 themes (Environment, Labor practice & Human Right, Fair business practices and Sustainable Procurement). KCE has obtained a score of 61/100, (representing 89th percentile), while the global score distribution was around 45/100 as an average and for this reason KCE has been continually awarded a silver recognition level.

- The Master of Science in Branding and Marketing Program (MBM) of Chulalongkorn Business School (CBS), the Stock Exchange of Thailand and the Manager Media Group announced that The Company achieved Thailand's Top Corporate Brands 2019 Awards in Electronics industry sector with 34,207 million Baht of brand value, on August 23, 2019.
- In 2019, all planned activities supporting Anti-Fraud & Corruption policies were completed 100%

Appendix 1: Certificates/Awards



KCE was awarded the TLS 8001-2010 Certificate Completion Level, Initiative Phase for the achievement of the requirements of Thai Corporate Social Responsibility issued by the Department of Labour Protection and Welfare, which is valid from August 15, 2016, to August 14, 2019.



บริษัท โกลบอล เซอร์ติฟิเคชัน เซอร์วิส จำกัด

6 ซอยรัตนวิเชียร 30 ตำบลบางกระสอ อำเภอเมือง จังหวัดนนทบุรี 11000

ใบรับรองฉบับนี้ให้ไว้เพื่อแสดงว่า

บริษัท เคซีอี อีเลคทรอนิกส์ จำกัด (มหาชน)

72-72/1-3 ซอยคลองกรุง 31 แขวงลำปลาทิว เขตลาดกระบัง กรุงเทพมหานคร 10520

ได้รับการรับรองระบบมาตรฐานแรงงานไทย

มรท. 8001:2553 ระดับสมบูรณ์

ในขอบข่ายการรับรอง

ผลิตแผ่นพิมพ์วงจรไฟฟ้า

ใบรับรองเลขที่: TLS62015 ครั้งที่ 1
รับรองครั้งแรกเมื่อ: 16 ธันวาคม 2562
ใบรับรองฉบับเดิมหมดอายุ: -
ออกให้ ณ วันที่: 16 ธันวาคม 2562
วันที่มีผลบังคับใช้: 16 ธันวาคม 2562
สิ้นอายุวันที่: 15 ธันวาคม 2565



ลงชื่อ Pitackpong
บริษัท โกลบอล เซอร์ติฟิเคชัน เซอร์วิส จำกัด

KCE was awarded the TLS 8001-2010 Certificate Completion Level, for the achievement of the requirements of Thai Corporate Social Responsibility issued by the Department of Labour Protection and Welfare, which is valid from December 16, 2019, to December 15, 2022.



In 2017, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years (2013-2017), award organized by the Department of Labour Protection and Welfare, issued date August 25, 2017.



KCE was awarded an “Excellent Establishment on Safety, Occupational Health and Working Environment” certificate by the Department of Labour Protection and Welfare, Ministry of Labour, issued date August 25, 2017.



MINISTRY OF LABOUR
CERTIFICATE OF ACHIEVEMENT

THIS IS TO CERTIFY THAT

KCE ELECTRONICS PUBLIC COMPANY LIMITED

**HAS BEEN HONOURABLY AWARDED THE EXCELLENT ESTABLISHMENT
ON LABOUR RELATIONS AND WELFARE FOR 5 CONSECUTIVE YEARS (2014–2018)**

ISSUED ON 23RD AUGUST 2018

Pol.Gen. *Adul Sangsingkeo*

**ADUL SANGSINGKEO
MINISTER OF LABOUR**

In 2018, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years (2014-2018), award organized by the Department of Labour Protection and Welfare, issued date August 23, 2018.



MINISTRY OF LABOUR
CERTIFICATE OF ACHIEVEMENT

THIS IS TO CERTIFY THAT

KCE ELECTRONICS PUBLIC COMPANY LIMITED

**HAS BEEN HONOURABLY AWARDED THE EXCELLENT ESTABLISHMENT
ON LABOUR RELATIONS AND WELFARE FOR 5 CONSECUTIVE YEARS (2015–2019)**

ISSUED ON 9TH SEPTEMBER 2019

(M.R.CHATU MONGOL SONAKUL)
MINISTER OF LABOUR

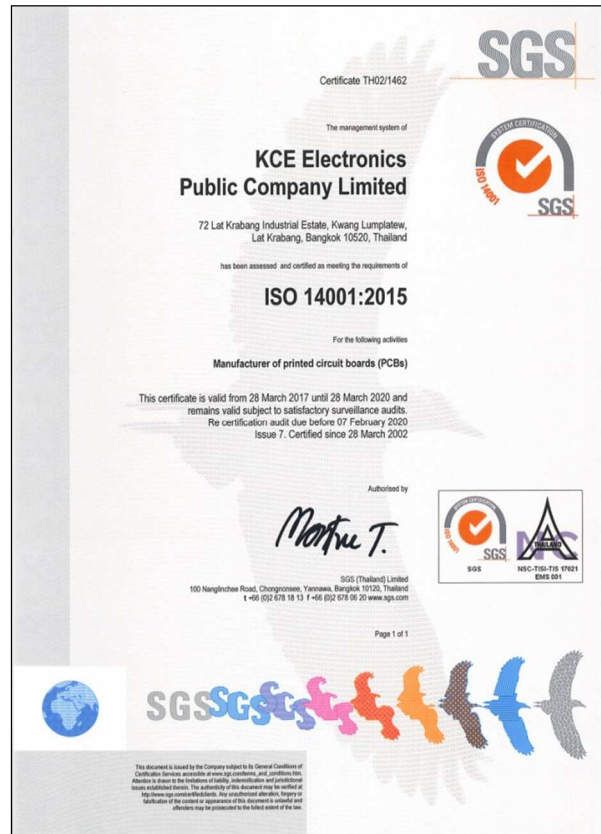
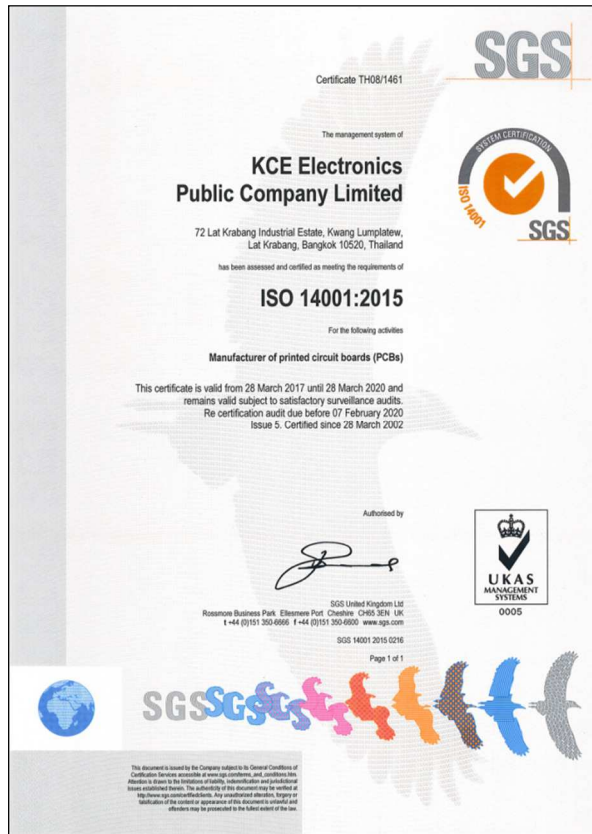
In 2019, the Company was awarded the "Excellent Establishment on Labour Relations and Welfare" at the National level for 5 consecutive years (2015-2019), award organized by the Department of Labour Protection and Welfare, issued date September 9, 2019.

The Certificate for the “Good Governance for Environment”, in Latkrabang Industrial Estate:

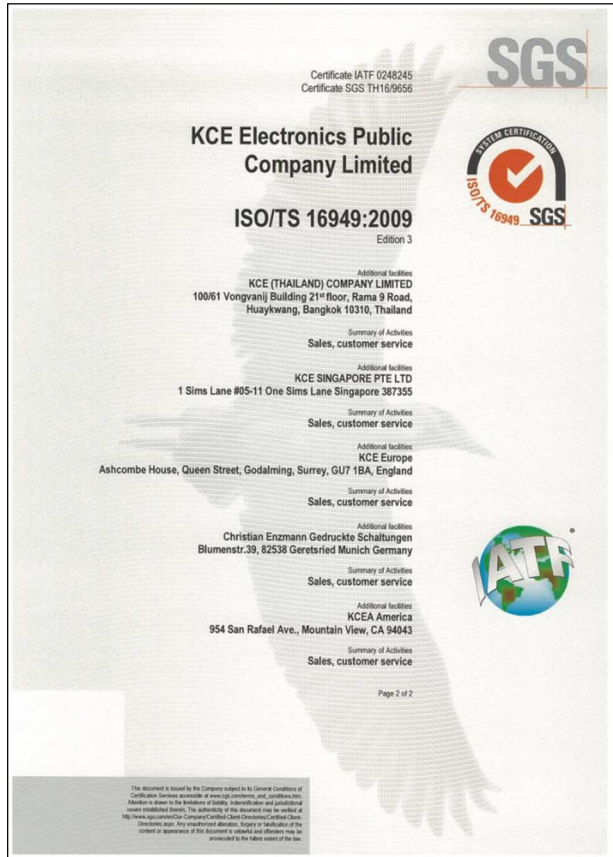


The so-called “White Flag, Green Star” Project:

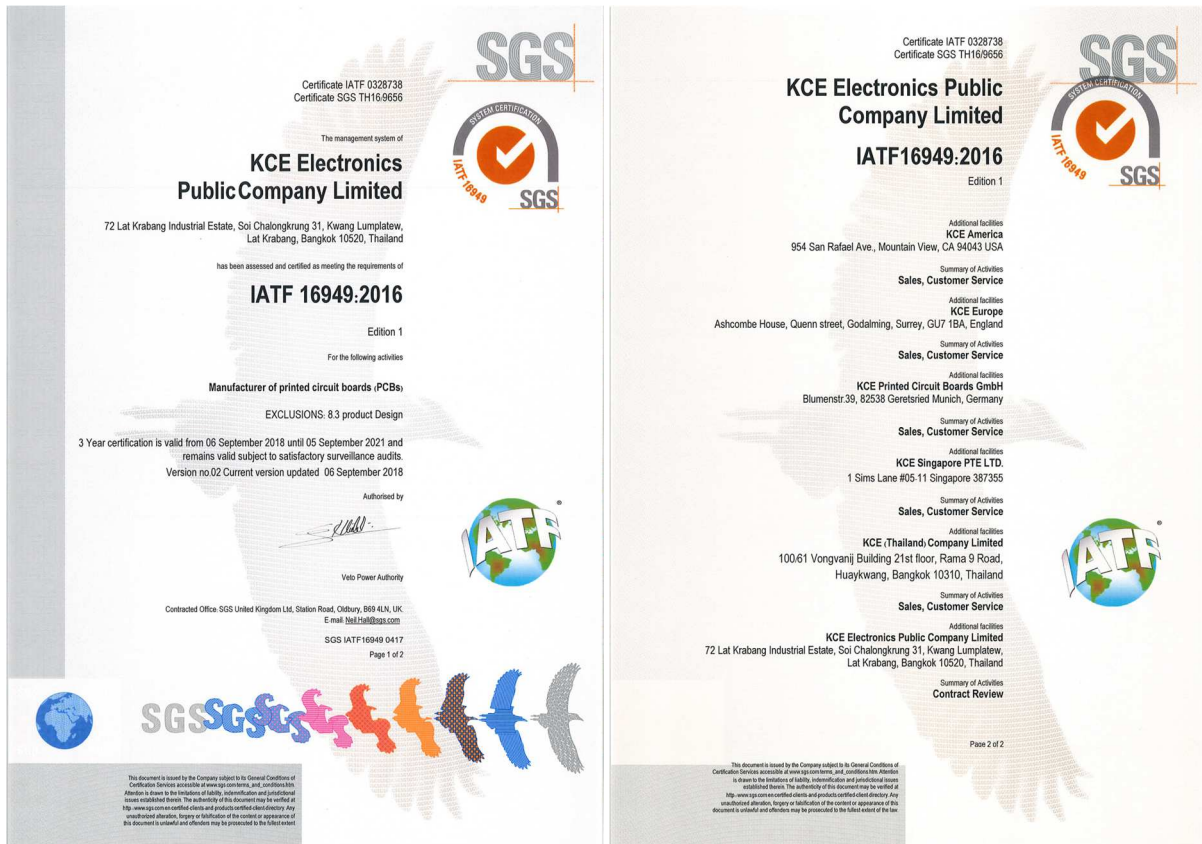
KCE was awarded the Certificate for the achievement of the excellent factory in the “Project of the promotion in cooperation among communities and the factory in the Estate”, in 2017, issued by the Industrial Estate Authority of Thailand, dated December 13, 2017.



ISO 14001: 2015, valid from March 28, 2017 – March 28, 2020 (certified since March 28, 2002), certified by UKAS in regard to the Environmental Management System and Quality Management System.



ISO/TS 16949:2009 Edition 3 (September 23, 2016 - September 14, 2018), Certificate of Quality Management System of Technical Specification for Automatic Productive and Relevant Service Part (certified since July 18, 2003).



ISO/IATF 16949:2016 Edition 1 (September 6, 2018 - September 6, 2021), Certificate of Quality Management System of Technical Specification for Automatic Productive and Relevant Service Part (certified since July 18, 2003).



การรับรองเลขที่ : ๓-๗๒๑๖/๒๕๖๑



ใบรับรองฉบับนี้ให้ไว้กับ
บริษัท เคซีอี อีเลคทรอนิกส์ จำกัด (มหาชน)

ที่ตั้งสถานประกอบการ : เลขที่ ๗๒-๗๒/๑-๓ ซอยฉลองกรุง ๓๑ แขวงลำปลาทิว
เขตลาดกระบัง กรุงเทพมหานคร ๑๐๕๒๐

เพื่อรับรองว่าเป็น
อุตสาหกรรมสีเขียวระดับที่ ๓
ระบบสีเขียว (Green System)

การบริหารจัดการสิ่งแวดล้อมอย่างเป็นระบบ มีการติดตามประเมินผล
และทบทวนเพื่อการพัฒนาอย่างต่อเนื่อง

ลงชื่อ.....
(นายพลุ โสหารขุน)
ปลัดกระทรวงอุตสาหกรรม

ออกให้ ณ วันที่ : ๒๔ สิงหาคม ๒๕๖๑
มีผลถึง วันที่ : ๒๓ สิงหาคม ๒๕๖๔
เลขทะเบียนโรงงาน : น.๗๒-๑/๒๕๕๗-นบถ.

KCE was certified by the "Green Industry", the Ministry of Industry, that the Company is rated "Green industry-Level 3) in the Green system, as the Company has systematically manage the environment, monitor and assess the outcome and continuously improve the results, issued by April 24, 2018 - April 23, 2021.



The Master of Science in Branding and Marketing Program (MBM) of Chulalongkorn Business School (CBS), the Stock Exchange of Thailand and the Manager Media Group announced that The Company achieved Thailand's Top Corporate Brands 2019 Awards in electronics industry sector with 34,207 million Baht of brand value.

2018 ESG100 COMPANIES

THAIPAT's ESG Rating Unit, a Thailand pioneer of corporate sustainability assessment, has evaluated the Thai publicly listed companies on their Environmental, Social and Governance (ESG) factors for the first time.

Out of 656 companies that were assessed, THAIPAT selected 100 companies which having outstanding sustainability performance to construct the ESG100 list as a starting universe of the 100 publicly listed companies addressing to the growing demand on sustainable investments.

2018 List of ESG100 Companies



Company Name	Industry	% Free Float *
A.J. PLAST	Containers & Packaging	43.45
ADVANCED INFO SERVICE	Telecommunications	36.22
AIRPORTS OF THAILAND	Air Freight & Logistics	29.99**
B.GRIMM POWER	Electric Utilities	28.01**
BANGCHAK CORPORATION	Oil & Gas – Refining & Marketing	59.89**
BANGKOK AVIATION FUEL SERVICES	Oil & Gas – Services	55.35**
BANGKOK CHAIN HOSPITAL	Health Care Delivery	50.01
BANGKOK DUSIT MEDICAL SERVICES	Health Care Delivery	52.14**
BANGKOK EXPRESSWAY AND METRO	Land Transportation	53.75
BANK OF AYUDHYA	Commercial Banks	23.11
BCPG	Solar Energy	29.66
BERLI JUCKER	Multiline and Specialty Retailers & Distributors	25.22
BETTER WORLD GREEN	Waste Management	91.70**
BTS GROUP HOLDINGS	Rail Transportation	57.36**
BUMRUNGRAD HOSPITAL	Health Care Delivery	45.67**
CENTRAL PATTANA	Real Estate Owners, Developers & Investment Trusts	52.34**
CENTRAL PLAZA HOTEL	Hotels & Lodging	74.38
CH. KARNCHANG	Engineering & Construction Services	64.79
CHAROEN POKPHAND FOODS	Processed foods	48.77**
COM7	Multiline and Specialty Retailers & Distributors	51.22**
CP ALL	Multiline and Specialty Retailers & Distributors	62.61**
DELTA ELECTRONICS (THAILAND)	Electronic Manufacturing Services & Original Design Manufacturing	36.88
DENTAL CORPORATION	Health Care Delivery	22.95**
DUSIT THANI	Hotels & Lodging	16.48**
ELECTRICITY GENERATING	Electric Utilities	42.92**
ERAWAN GROUP	Hotels & Lodging	44.65**
GLOBAL POWER SYNERGY	Electric Utilities	24.95
GLOW ENERGY	Electric Utilities	30.89
GULF ENERGY DEVELOPMENT	Electric Utilities	27.42
HANA MICROELECTRONICS	Electronic Manufacturing Services & Original Design Manufacturing	56.89
HOME PRODUCT CENTER	Multiline and Specialty Retailers & Distributors	44.87**
INDORAMA VENTURES	Chemicals	33.50**
INOUE RUBBER (THAILAND)	Auto Parts	27.78**
INTERLINK TELECOM	Telecommunications	36.30**
INTOUCH HOLDINGS	Telecommunications	59.49
IRPC	Oil & Gas – Refining & Marketing	51.89
JUBILEE ENTERPRISE	Apparel, Accessories & Footwear	45.00**
KANG YONG ELECTRIC	Appliance Manufacturing	35.00**
KASIKORNBANK	Commercial Banks	75.68
KCE ELECTRONICS	Electronic Manufacturing Services & Original Design Manufacturing	62.21
KIATNAKIN BANK	Commercial Banks	85.49

CERTIFICATE OF COMPLIANCE

Certificate Number 20180223-E88599
Report Reference E88599-19901107
Issue Date 2018-FEBRUARY-23

Issued to: KCE ELECTRONICS PUBLIC COMPANY LIMITED
72-72/1-3 Lat Krabang Industrial Estate
Soi Chalongkrung 31, Kwang Lumplatew
Lat Krabang, Bangkok 10520 THAILAND


This is to certify that COMPONENT - WIRING, PRINTED
representative samples of Refer Addendum Page for Models/Product

Have been investigated by UL in accordance with the
Standard(s) indicated on this Certificate.

Standard(s) for Safety: UL 796 - Standard for Tests for Safety for Printed-Wiring
Boards
CAN/CSA-C22.2 No. 0.17-00 - Standard for Evaluation of
Properties of Polymeric Materials

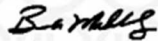
Additional Information: See the UL Online Certifications Directory at
www.ul.com/database for additional information

Only those products bearing the UL Certification Mark should be considered as being covered by UL's
Certification and Follow-Up Service.

The UL Recognized Component Mark generally consists of the manufacturer's identification and catalog
number, model number or other product designation as specified under "Marking" for the particular
Recognition as published in the appropriate UL Directory. As a supplementary means of identifying products
that have been produced under UL's Component Recognition Program, UL's Recognized Component Mark:
 may be used in conjunction with the required Recognized Marks. The Recognized Component Mark is
required when specified in the UL Directory preceding the recognitions or under "Markings" for the individual
recognitions.

Recognized components are incomplete in certain constructional features or restricted in performance
capabilities and are intended for use as components of complete equipment submitted for investigation rather
than for direct separate installation in the field. The final acceptance of the component is dependent upon its
installation and use in complete equipment submitted to UL LLC.

Look for the UL Certification Mark on the product.



Bruce Mahrenholz, Director North American Certification Program
UL LLC

Any information and documentation involving UL Mark services are provided on behalf of UL LLC (UL) or any authorized licensee of UL. For questions, please
contact a local UL Customer Service Representative at <http://ul.com/aboutul/locations/>



CERTIFICATE OF COMPLIANCE

Certificate Number 20180223-E88599
Report Reference E88599-19901107
Issue Date 2018-FEBRUARY-23

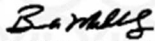
This is to certify that representative samples of the product as specified on this certificate were tested according to the current UL requirements.

Models/Product:

USR & CNR - Multilayer Printed Wiring Boards.

Type Designations:

FV-0
MC
MV1
MV-0
MV-1
MV-2
RM
TV-0
WV-0
MC1
MC2



Bruce Mahrenholz, Director North American Certification Program
UL LLC

Any information and documentation involving UL Mark services are provided on behalf of UL LLC (UL) or any authorized licensee of UL. For questions, please contact a local UL Customer Service Representative at <http://ul.com/about/certifications>



In 2018, the Company was awarded the Certificate of Compliance, issued by UL, dated February 23, 2018.



KCE undertook steps in compliance with the CAC's certification process, such as the development of anti-corruption measures, conducting self-evaluations regarding anti-corruption practices. As a result, the Company was certified a CAC member on April 3, 2015 and subsequently received the extension of the certification on February 12, 2018.

Companies with Excellent CG Scoring by alphabetical order



ข้อมูล ณ วันที่ 25 ตุลาคม 2562

No	Symbol		Public Company Limited	No	Symbol		Public Company Limited
41	DTC		DUSIT THANI	61	III		TRIPLE I LOGISTICS
42	EA		ENERGY ABSOLUTE	62	ILINK		INTERLINK COMMUNICATION
43	EASTW		EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT	63	INTUCH		INTOUCH HOLDINGS
44	ECF		EAST COAST FURNITECH	64	IRPC		IRPC
45	EGCO		ELECTRICITY GENERATING	65	IVL		INDORAMA VENTURES
46	GBX		GLOBLEX HOLDING MANAGEMENT	66	JKN		JKN GLOBAL MEDIA
47	GC		GLOBAL CONNECTIONS	67	JSP		J.S.P. PROPERTY
48	GCAP		G CAPITAL	68	K		KINGSMEN C.M.T.I.
49	GEL		GENERAL ENGINEERING	69	KBANK		KASIKORNBANK
50	GFPT		GFPT	70	KCE		KCE ELECTRONICS
51	GGC		GLOBAL GREEN CHEMICALS	71	KKP		KIATNAKIN BANK
52	GOLD		GOLDEN LAND PROPERTY DEVELOPMENT	72	KSL		KHON KAEN SUGAR INDUSTRY
53	GPSC		GLOBAL POWER SYNERGY	73	KTB		KRUNG THAI BANK
54	GRAMMY		GMM GRAMMY	74	KTC		KRUNGTHAI CARD
55	GUNKUL		GUNKUL ENGINEERING	75	KTIS		KASET THAI INTERNATIONAL SUGAR CORPORATION
56	HANA		HANA MICROELECTRONICS	76	LH		LAND AND HOUSES
57	HARN		HARN ENGINEERING SOLUTIONS	77	LHFG		LH FINANCIAL GROUP
58	HMPRO		HOME PRODUCT CENTER	78	LIT		LEASE IT
59	ICC		I.C.C. INTERNATIONAL	79	LPN		L.P.N. DEVELOPMENT
60	ICHI		ICHITAN GROUP	80	MAKRO		SIAM MAKRO

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition

(Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2018 to 25 October 2019) is publicized.

In 2019, KCE was awarded an "Excellent" ranking for its Corporate Governance for the fourth consecutive years, based on a survey of listed companies, by the Thai of Directors Association (IOD)



SET Awards 2016: The Company was awarded the "Outstanding CEO Awards" and the "Best Company Performance Awards", in a category of company with market capitalization of Bt30,000 - 100,000 million.

Appendix 2: Training and Development

KCE implements an employee development program to enhance their knowledge and potential. In 2019, training courses for employees included, but were not limited to, the following:

No.	Course	Objective	Target Group	Date	Period (TL Hours)	No. of Trainee
Safety						
1	ERT (EMERGENCY RESPONSE TEAM)	Train Emergency Response Team	Emergency Response Team	Jan-Dec 2019	39	43
2	Fire Suppression Basis	1) To educate causes and prevention of fires 2) To educate how to use fire suppression equipment.	All levels of employees	Feb, Mar, July, Sept. 2019	6	211
3	Safety Officer in Supervisor level	1) To comply with the safety regulation 2) To provide knowledge regarding work safety, safety law 3) To prevent or to control incident and disease from work	Supervisors of all Section	Apr, Sept, Oct, Nov 2019	12	160
4	Forklift skills and Maintenance Training	1) To develop skills in using Forklift. 2) To educate for maintenance.	Warehouse, Material preparation, FG stock	Jun 2019 Nov 2019	3 6	44 18
5	Safety for working with X-rays	To comply with the rules and educate how to prevent dangerous when working with X-rays.	X-ray Area Staffs	Mar, Jun, Sept 2019	3	119
6	Safety for working with Electricity	To provide knowledge of electrical system, how to prevent danger, and safety rules	Supervisor	May, Jun, Jul, Oct 2019	6 3	36 28
7	Safety in working area	To provide knowledge, how to prevent danger, and safety rules	Foreman, Leader Operator	Apr 2019 Oct 2019	3 18	28 25

No.	Course	Objective	Target Group	Date	Period (TL Hours)	No. of Trainee
8	Personal Safety	To understand the importance of personal safety equipments Provide knowledge how to use the proper equipment	All employees	Mar, May, Jun 2019	3	72
9	Annual Fire Drills and Evacuation.	1) To comply with the rules. 2) To educate how to survive and move from fire areas.	All Employees	Nov 20, Dec 23/24, 2019	0.5	2,400
10	Training for the basic of First Aid	To understand the basic knowledge of the first aid and be able to help in the emergency incident	Foreman, Leader, Technician, Operator Officer	Jul, Nov 2019	3	73
11	Chemical Handling & Emergency Response	1) To know various types of chemical and the usage of chemical. 2) Provide safety procedure in handling and storing chemical and working with chemical. 3) How to handle the emergency incident in case of chemical leaking.	Employee working with chemical	May 2019	3	21
12	Safety Awareness	To create safety awareness in everyday working, toward zero accident.	All levels of employee	Feb, Jul 2019	3	55
13	ISO 45001: 2018	1)To identify hazard and Risk assessment 2) Work Analysis of safety standard	Foreman, Leader Manager Operator	Jan 2019 Jan, Apr 2019 Mar, Apr 2019	3 12 1	119 85 320
14	ISO 45001:2018	1) To educate about the internal audit of environment management system 2) To specify rules of environment management for ISO 45001:2018	Sr.Engineer, Engineer, Sr. Supervisor, Supervisor Foreman, Leader	Feb 2019	12	24

No.	Course	Objective	Target Group	Date	Period (TL Hours)	No. of Trainee
Environment						
15	ISO 14001:2015 (Requirement of new version)	1) To educate about the environment management system 2) To specify rules of environment management for ISO 14001:2015	Sr.Engineer, Engineer, Sr. Supervisor, Supervisor Foreman, Leader	Jan 2019	6	82
16	Creation of an awareness in energy conservation, and Techniques&RosH Reach Weee	1) To create awareness of energy conservation 2) Provide guideline for energy conservation in short term and long term 3) Create a role model for energy conservation	Technician Operator Leader	Feb, Mar, Apr, Jun, Jul 2019	3	187
17	ISO 14001:2015	1) To educate about the internal audit of environment management system 2) To specify rules of environment management for ISO 14001:2015	Sr.Engineer, Engineer, Sr. Supervisor, Supervisor Foreman, Leader	Feb 2019	12	64

No.	Course	Objective	Target Group	Date	Period (TL Hours)	No. of Trainee
Human Resources						
18	HR for HR	To educate HR management	Engineer, Sr. Supervisor, Supervisor, Officer	May 2019	6	21
19	Leadership Competency	To improve the work efficiency	Leader	Jan, Mar, May 2019	6	134
20	Anti-corruption	To be aware of corruption and the Anti-Corruption policy in place for KCE group.	All employees	Dec 2019	3	24
21	KPI for Performance appraisal	1) To educate KPI concept and guideline for developing KPI 2) Guideline for KPI appraisal	Technician Sub-Operator	Jan, Apr, Jun 2019	3	41
22	KCE Life & Core value	To be aware of the company's core value	Supervisor, Engineer, Technician, Leader, Operator, officer	Feb, Mar, Apr, May, Jun, Jul, Aug, Sept 2019	3	252
23	Disciplinary action and the Labor law	To be aware of the Labor law and regulations, and understand the technique for disciplinary actions	Manager, Senior Chief	Feb 2019	6	35
24	Green Procurement	To be a sustainability procurement	Senior Vice President, Manager, Senior Chief, Senior Engineer, Engineer, Chief	Aug 2019	6	23
25	Continuous 5S for practical & VFP	To educate 5S concept and guideline for developing 5S	Senior Engineer, Engineer, Senior Supervisor, Supervisor, Senior Chief, Chief, Senior Foreman, Foreman	Jun 2019	6	112

No.	Course	Objective	Target Group	Date	Period (TL Hours)	No. of Trainee
26	Shegy Training Program	1) To understand RBA Version 6.0 2) To prepare to be certified RBA	Assistant Manager, Senior Engineer, Engineer, Senior Supervisor, Supervisor, Technician, Senior Chief, Chief	Jan 2019	6	38
27	Working with Tablet	To understand how to use Tablet	Senior Supervisor, Supervisor, Senior Technician, Technician, Operator	Jan, Feb, Oct, Nov 2019	6	562
28	Certificate in Purchasing and Supply (C.P.S.)	1) To improve procurement standard. 2) Increase efficiency in procurement	Assistant Vice President, Division Manager Engineer, Senior Chief, Chief	Jan, Feb, 2019	24	12
29	How to cut corruption and fraud out off supply chain	To prevent anti-corruption in organization	Senior Vice President, Asst. Vice President, Division Manager, Asst. Section Manager, Senior Engineer, Engineer, Senior Chief, Chief, Clerk	Oct 2019	6	27
30	Radar Meeting	For employees to take part in indentifying problems	Leader, Foreman, Supervisor, Senior Chief, Senior Engineer, Chief	Mar, Jun, Jul, Aug, Sept 2019	3	211

Appendix 3: CSR activities

In 2019, the Company together with its employees participated in the following activities to contribute to the community and the public:

Activity 1: Donation of old calendars to produce instruction media, Braille code, to the Foundation of the Blind in Thailand under The Royal Patronage of H.M. the Queen, ThungPhaya Thai, Ratchathewi, February 15, 2019.

The CSR Committee collected old calendars and donated them to the Bangkok School for the Blind located at Ratchathewi Road, Bangkok, on two occasions, one on February 15, 2019, and another on March 20, 2019, to produce braille books for instruction media for students and people who are visually impaired at the Foundation of the Blind in Thailand. This is another important step for Thai education administrators in helping decrease the disparity of education by showing that physical disability shall not disrupt the fundamental education.



Activity 2: Build a new school building for Ban Mae Hoi School, Tambon Mae Na Jon, Amphoe Mae Chaem, Chiang Mai province, and handed over the building to the school, March 2, 2019.

Ban Mae Hoi School is located in Amphoe Mae Chaem, Chiang Mai province. The school is in the Chiang Mai Primary Educational Service Area Office 6. It is a small school situated on a high mountain that is difficult to traverse due to the rough road and highly sloping land. The school provides classes from primary levels 1-6. It has 57 students, with 14 who reside at the school. The parents and villagers are members of the Karen hilltribe who are poor and mostly engage in agricultural. The school lacks a sufficient number of classrooms as there is only one school building, which is in a dilapidated condition since it was built over 20 years ago. The building is rundown, the ceiling and wood poles are damaged by termites, and rainwater leaks through the ceiling into the classroom, causing a concern that the school building could collapse. One classroom is used for 2 classes at the same time.

The Company provided support to construct the new school building, comprising 4 classrooms each 7 meters x 28 meters with a budget of Bt955,097. The building was officially handed over to the school on March 2, 2019.



Activity 3: Cash donation for the purchase of medical equipment to Nong Bua Lamphu hospital, Amphoe Muang, Nong Bua Lamphu province, for Bt1,000,000, on March 17, 2019.

The Nong Bua Lamphu Hospital held a charity walk-run mini half marathon No. 3/2019 in order to purchase additional medical equipment to serve an increasing number of patients each year. The Company helped support the project by obtaining medical equipment by donating Bt1,000,000 to the hospital on March 17, 2019, which comprised:

- 1 transport incubator valued at Bt500,000
- 1 radiant warmer valued at Bt500,000

Activity 4: Provide plastic bottles to produce monk robes to Wat Chakdaeng, Tambon Songkanong, Amphoe PraPradaeng, SamutPrakan province, on June 8, 2019 and July 7, 2019.

Wat Chakdaeng, whose abbot is Phra Maha PranomThama LungKalo, has a project to recycle robes by accepting donations of plastic garbage, which is sorted and recycled to produce monk robes. Fifteen plastic bottles can make one robe, and 60 bottles can produce one set of three garments. The project is aimed at reducing the volume of plastic garbage and to be a center for the study of integrated waste management for the community.

The Company took part in this project in order to help reduce environmental pollution by PR on accepting donations of plastic bottles for the temple. The Company made 2 deliveries, one on June 8, 2019, and one on July 7, 2019.



Activity 5: Donation for monthly school expense of Bt20,000 per month to Wannawit school, Khlong Toei, Bangkok, starting from July to December, 2019.

Wannawit School is a small private school on nearly 3 rai of land located in the middle of Sukhumvit Soi 8, which is an expensive residential area in Bangkok. It has 514 students and 37 teachers. Most students reside in the Khlong Toei community area where parents are employed as laborers, are poor and do not have enough money to send their children to another school. Wannawit School collects a fee of Bt1,702 per school term for the primary level and Bt1,317.50 per school term for Mathayom levels 1-3, and as a result the school does not have enough funds to cover its monthly expenses.

The Company realizes the importance of education for children in the community, and it thus made a donation of Bt20,000 each month to support the school's expenses from July to December 2019.

Activity 6: Distributed survival kits to flood victims at Tambon Bung Mai, Ubon Ratchathani province, on October 5, 2019.

Tropical storms 'Podul' and 'Kajiki' resulted in flash floods and landslides in the Northeast of Thailand from August 23, 2019, onward. There were 378,409 families affected and 29 deaths, and houses, buildings, schools, and temples were severely damaged. The government and private sector provided assistance in accelerating in water drainage and building temporally shelters. However, even after the floods subsided on September 15, many areas were still lacking public utilities, particularly in Ubon Ratchathani province.

The Company together with staff distributed survival kits, rice and dried food to people who were impacted by the flood in Amphoe Warinchamrap, Ubon Ratchathani province. On October 5, 2019, the company also helped clean the road, buildings and houses in the village, and distributed 200 survival kits and 2,400 bottles of drinking water.



Activity 7: Donation to support a project to restore occupational skills and social welfare to become self-supporting for patients with autism at Yuwaprasart Waithayopatum Psychiatric Hospital, Amphoe Mueang, Samut Prakarn province.

Yuwaprasart Waithayopatum Hospital provides psychiatric care for 211 patients both children and teenagers on average every day on an inpatient basis. The hospital initiated a project to develop social and occupational skills of patients with autism to help them obtain employment. The project began in 2012 and currently has 75 participants and 62 employed in more than 20 companies. Due to a rather limited number of occupations available, however, the hospital is seeking to provide more occupations to help patients become self-supporting, convince them of their self-worth, instill a feeling of self-esteem, create recognition in the family, relieve the burden on health care facilities from taking care of patients, and reduce bias against persons suffering from autism in society.

The Company took part in a project to develop social and occupational skills for patients suffering from autism by donating B254,530 in support of the following training for occupational skills:

YUWA Coffee shop, 10 persons	Bt97,080
Thai desert making, 15 persons	Bt45,000
Making Fabric purse and fabric painting, 5 persons	Bt32,695
Making of Doormats made of cloth rags and Hula-hoops, 10 persons	Bt22,955
Glass painting, 6 persons	Bt20,800
Cleaning and gardening, 10 persons	Bt36,000

Activity 8: Donation for an educational fund, school supplies, sport equipment, water filters, maintenance of the canteen and toilet and recreational activity with students at Ban Nong Peeknok School, Tambon Huai Khun Ram, Amphoe Phatthana Nikhom, Lop Buri province, on November 23, 2019.

Ban Nong Peeknok School is located in Amphoe Phatthana Nikhom, Lop Buri province. The school provides classes from kindergarten to primary level 6. It has 6 teachers, 1 volunteer teacher and 65 students. The school is far from the village, and therefore school development is slow. Most students come from poor agricultural families, and some have very little employment. During the summer months when agriculture is not possible, children must live with their grandparents while the parents seek work in nearby provinces.

The Company donated Bt20,000 for educational fund, and provided school supplies, stationery, sports equipment and water filters for students. In addition, staff of the Company painted the canteen and toilets and arranged recreational activity with the students on November 23, 2019.



Activity 9: Provided lunch and donated consumer products to the elderly at a nursing home for the elderly in Tambon SanamChan, Amphoe Mueang, Nakhon Pathom province, on December 7, 2019.

The Nursing home in Tambon SanamChan was established to care for the elderly who have trouble, live alone and have no family and who are unable to care for themselves. They mostly reside in Nakhon Pathom province and in nearby areas. The nursing home cares for 46 persons. It receives funds from SanamChan District

Municipality to supply three meals a day, clothing, bedding, and necessary personal supplies. It also provides annual health checkups, medical treatment and rehabilitation medicine.

The Company provided lunch for the patients and donated rice, dried food, consumer products and medicine.

The staff also held recreational activities with the elderly at the nursing home on December 7, 2019.



Activity 10: The Company implemented the 'KCE sharing to the peak' project at Bann Mae Sapung School in Tambon Mae La Noi, Amphoe Mae La Noi, Mae Hong Son province, on December 7, 2019.

Ban Mae Sapung School is located on land surrounded by mountains in Amphoe Mae La Noi, Mae Hong Son province. It has 95 students. Most villagers are Tai-Yai, PgaK'nyau, Lawa and Hmong, and are poor. The village has a variety of cultures and religions, and most of people engage in farming and raise animals to feed themselves. Due to problems in transportation, locally grown agriculture products cannot be delivered for sale. The weather is generally cold the entire year and icy in the winter as the area is in the middle of a valley.

The Company initiated a project to give the community an opportunity for a better education and support the livelihood of the local people residing on the mountain by bringing necessary consumer products, school supplies, sports equipment for the students to use. The following were provided:

- Scholarships totaling Bt20,000
- 100 blankets
- 100 sweaters
- School stationery; books, pencils, pens, drawing books, 100 sets of crayons
- Sports equipment
- Snacks, bread, Mama (instant noodle), dried food and canned food





Activity 11: Donated 490 blankets for a project called “Get the sister ready for the coming winter” initiated by PhraPalad Wayo Thawaro of Wat Huay Sing in Tambon Mae Yuam, Amphoe Mae Sariang, Mae Hong Son province, on December 28, 2019.

The Company donated 490 blankets for the project of Wat Huay Sing, Tambon Mae Yuam, Amphoe Mae Sariang, Mae Hong Son Province, initiated by PhraPalad Wayo Thawaro, called ‘get the sister ready for coming winter’. Blankets were distributed to poor students who belong to the Karen hill tribe living in mountainous areas who lack blankets to use during the winter. The blankets were given away to 13 schools, as follows:

- Ban Kormuder School
- Ban Kloselo School
- Ban Bun Loe School
- District education center, Pukum & Pukum Noi
- Ban Mae Tola school
- Ban Huai Kratai School
- Kerbor School
- Ban Maekae School and Ban Maekae Noi School
- Ban Mae Sam Lab School
- Huai Kong Kat School
- Ban Tee Hue Lue School
- Ban Huai Sing School

Appendix 4: Anti-Corruption activity



KCE Conducted a fraud risk awareness training workshop and class for all management, HR, and selected supervisors and personnel to ensure that principles and policies are communicated effectively to all levels of employees.



KCE Joined Anti-corruption Day 2019 under the theme "Joining Forces against Corruption" held by Anti-Corruption Organization of Thailand.