



# SUSTAINABILITY REPORT 2016

Inoue Rubber (Thailand) Public Co.,Ltd.



**WAY TO  
SUSTAINABILITY**



## Content

- 02 IRC pride
- 05 About this report
- 08 Way towards sustainability
- 14 Stakeholder Engagement
- 28 Economic Performance
  - Supply chain management
- 32 Environmental Performance
  - Energy management
  - Water management
  - Production waste management
- 40 Social Performance
  - Employee care
  - Occupational development
  - Creating better community and society
  - Creating customer satisfaction
- 52 Performance Data (Economic, Social, and Environment)
- 55 GRI Index







IRC's Pride 



Awards and achievements



IRC was chosen from 621 listed companies as 1 of the 100 outstanding companies in environment, society and governance to receive the ESG 100 Certificate awarded by ThaiPat Institute.



### IRC received the TLS 8001-2010

Certificate at Basic Level from the Department of Labour Protection and Welfare, the Ministry of Labour, to certify that the Company has achieved the requirements of Thai Corporate Social Responsibility based on Legal Provisions on Labour Protection, Labour Relations and Occupational Safety, Health and Environment.



### IRC received the Quality Excellence Award

from the General Motors showing the customers' trust and confidence on us.

### IRC received the award of 3rd runner up

in the Leader group among the 93 participated companies from the Toyota Production System (TPS) Activity by the Toyota Co-operation Club (TCC). This showed the Cooperated development of innovation and production process between IRC and our customers.



### IRC received the 1st year Silver Level

from the Zero Accident Campaign 2016 by the Ministry of Labour.





# IRC's pride from supporting the Social Enterprise

## Cooperation project between IRC and Klongpang Cooperative, Trang Province, in producing rubber sheets as the ISO 9001: 2015 Standard

The Klongpang Cooperative, Trang Province, consists of 210 members. It could develop its production and obtained the ISO standard in June, 2016. Moreover, it could be the prototype cooperative for Thai rubber farmer and interested people under the presumption that quality production can raise the appropriated agricultural price which brings about the quality of life and good living of the farmer.



### HAI ARCHEEP – HAI CHEEVIT Project

The project focuses on supporting the moral, ethics and profession to develop the potentiality of the female prisoners to get ready for entering the labor market after being acquitted. This is one of the IRC's intentions to encourage the good and quality person to society. Throughout the 3 years that IRC had operating this project, there have been around 666 prisoners who participated in the project.





## About this report

### Reporting Procedure

This 2016 Sustainability Report is counted as the 2nd issue of Inoue Rubber (Thailand) Public Company Limited “IRC”. The contents of this report are consistent with Sustainability Reporting Guidelines defined by Global Reporting Initiatives or “GRI” version G4 by fulfilling criteria requirements and covering all key indicators in economic, social, and environment aspects which presented the operational results from October, 2015 – September 30, 2016 and reflects corporate performance in respect to stakeholders who play a vital role in driving IRC’s business towards sustainable growth and continuous improvement.

Additionally, in this year, IRC adopts the ‘Sustainable Development Goals’ or ‘SDGs’ as our compass in driving our stakeholder engagement and being a linkage in sustainable development at the international level.

### Scope of Report

This report presents our operational results from Motorcycle Tires and Tubes and Industrial Elastomer Parts businesses which are located in Rangsit and Wangnoi sites respectively. It includes financial and non-financial reporting by given the fiscal year 2015 as the based year of statistical data collection because of the completeness and readiness of the data.

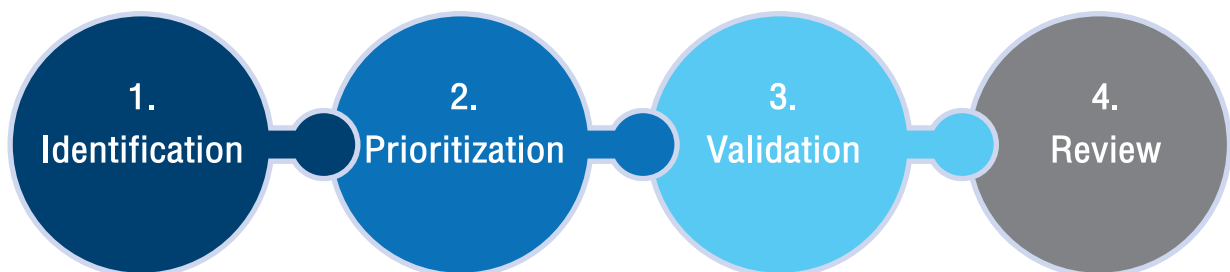
Moreover, some parts of the data are presented in the Annual Report to be a channel of stakeholder understanding how IRC drive our business towards sustainability goals. For more information and inquiries, you can download the full version of this report or contact report makers via [www.ircthailand.com/en/investor/sustainability](http://www.ircthailand.com/en/investor/sustainability).

### Assessment of the Materiality Issues

After set the scope of this report, the Executive Committee, the Corporate Governance and Social Responsibility Committee, and the Board of Directors considered and assessed the materiality issues that may have an impact on IRC’s stakeholders and IRC’s business operation by following the GRI framework.

### Step 1: Identification

Consider the materiality issues that may affect IRC’s mission together with the stakeholders’ expectation both internal and external based on the economic, social, and environmental aspects, the Company has identified such 3 issues which followed GRI framework at the first time in the 2015 Sustainability Report. In this year, we had assessed and identified as below;





### Step 2: Prioritization

We consider the priority of each issue by separating into 1) important and 2) very important which affect IRC's business operation and stakeholders as presented in the Materiality Matrix.



### Economic:

1. Corporate Governance
2. Anti-Corruption
3. Risk Management
4. Customer Relationship Management
5. Value Chain Management
6. Tax Implementation
7. Business Innovation



### Social:

8. Employee Engagement
9. Health and Safety Workplace
10. Promoting of a Better Quality of Life
11. Educational and Sport Support
12. Relationship and Cultural Heritage



### Environment:

13. Environmental Management
14. Conserving Energy and Reduce Global Warming
15. Reduction of Waste Generated by the Production Process



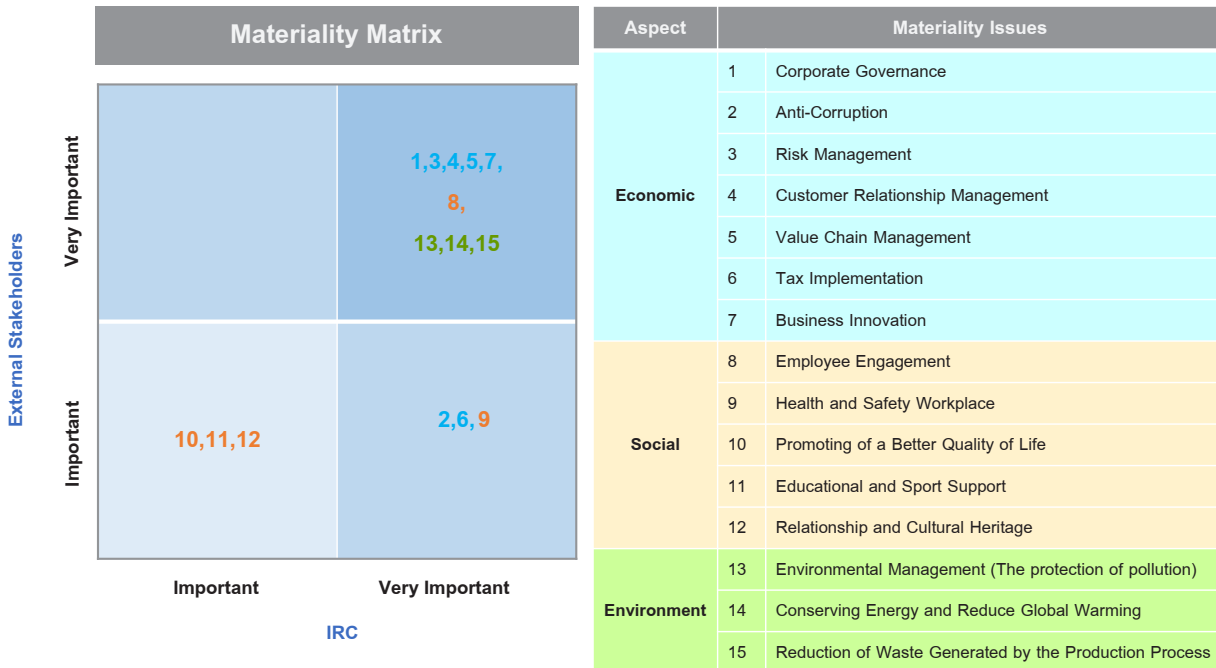


**Step 3: Validation**

In 2016, the Corporate Governance and Social Responsibility Committee has reviewed the materiality issues affected the Company’s sustainability by considering Thailand’s Roadmap, the development to Industry 4.0 and the economic direction both domestic and international levels together with the United Nation’s Sustainable Development Goals or SDGs. Then, the Executive Committee considered this review as a practitioner. Lastly, it was proposed to the Board of Directors for consideration the overall enterprise direction and appropriateness to ensure that the materiality was selected, reviewed, and assessed comprehensively and up-to-date.

**Step 4: Review**

This report is prepared for the 2 consecutive years and it was improved and amended related to the framework of GRI G4 Specific Standard Disclosure so that the content in this report is more completed and able to response to stakeholders’ needs both from internal and external.



## Way towards Sustainability



“National prosperity belongs to every member of the society and should result from the efforts or actions contributed by all members within the nation, each of whom shall be given specific role and duty based on their expertise and capabilities to mutually support one another in driving the nation forward because no person shall be able to live and serve the nation all on their own.”

Royal Address by H.M. King Bhumibol Adulyadej  
(On the Occasion of Graduation Ceremony at Chulalongkorn University on 10 July 1997)

Throughout its business history of over 47 years, Inoue Rubber (Thailand) Public Company Limited (IRC) has been continuously engaged in the manufacture of motorcycle tires and tubes as well as elastomer products for automotive and other industries. Along its path, IRC had faced numerous challenges including industrial and technological developments, dynamically changing consumer demand and lifestyle, political instability, economic fluctuations and even climate changes.

Bearing this in mind, IRC recognized the implications of innovation development and sustainable business practice and therefore focused on creating shared value (CSV) for the Company and relevant stakeholders, including promoting mutual relationship within the organization by following H.M. King Bhumibol's royal address as guidance towards achieving sustainable growth.



Through its outstanding expertise and strengths in research and development and production process improvement, IRC managed to carry out developments and address various social problems or needs as part of corporate citizenship by implementing 7 policies defined by the Board and the management which are expected to drive the Company namely;

1. Sustainability in Safety and Environment
2. Quality in Each Product with International Quality Systems
3. Best Satisfaction to Customers in 4 Product-Dimensions
  - Price/Cost (C) at the best competitive level for customers
  - Quality (Q) at the best competitive quality rating by customers
  - Delivery (D) at the best competitive delivery rating by customers
  - Services to Solutions (S to S) at the best services to solutions for customers at all times
4. Create the Opportunities of Human Resource Improvement to Achieve Competencies in All Levels
5. Continuous Research and Development for New Innovations, Products, Processes and Markets and Keep Generating the Outputs of Existing Business
6. Generating Strong Financial Status and Attractive Return to Shareholders
7. Supporting the Good Corporate Governance and Corporate Social Responsibility

These are the ground of achieving our mission;

“ Be the Leading Company in Innovation Development and the Smart Factory of Quality Elastomer Products, Motorcycle Tyres and Tubes in AEC ”

### Good Corporate Governance

At IRC, we believe that sustainable business is a type of business that is capable of building harmonious relationship with its surrounding communities and at the same time promote developments within the country while continuously upholding corporate governance principles (CG Principles) in every activity to ensure trusts and confidence among its shareholders and stakeholders. As a result, we have consistently developed our corporate governance starting from the 15 CG Principles of the Stock Exchange of Thailand the 5 Principles of OECD Principles of Corporate Governance which is universally accepted principles namely;

- I. Rights of Shareholders
- II. Equitable Treatment of Shareholders
- III. Roles of Stakeholders
- IV. Disclosure and Transparency
- V. Board Responsibilities



Next, we have adopted the corporate governance code “CG Code” to embed in our policy and strategy in business operation, caring and development of employees who are the valuable assets of the Company, risk management and internal control process, as well as the financial and non-financial reporting. This CG Code is also embedded in our business practice to IRC’s stakeholders and other activities held by us.

In 2016, IRC has reviewed our Good Corporate Governance and Business Morality Handbook to align with the new Securities and Exchange Act B.E. 2559, Handling confidential, market-sensitive information: Principle of good practice and Corporate Governance Code, Practice Principles for Board of Directors of Listed Company, SEC, 2016. This is to enhance IRC’s corporate governance principle and policy and to be the good practice for directors, executives, and employees to hold on.

In addition, IRC also promoted corporate governance trainings among its directors, executives and relevant staffs such as Director Accreditation Program (DAP), CG Forum on the topics of ‘Governance as a driving force for business sustainability’ and ‘Rights and Duty of Shareholders From Yin-Yang Perspective: Black-White Do the Right Thing’. These training programs are hosted by numerous organizations namely the Stock Exchange of Thailand (SET), the Securities and Exchange Commission of Thailand (SEC), and Thai Institute of Directors (IOD). Meanwhile, the management and the secretary of Corporate Governance and Corporate Social Responsibility Committee were also encouraged to be trained in Ethical Leadership Program (ELP) in order to build understanding regarding the roles and proper management practice based on corporate governance principles and business ethics, including transferring the knowledge learned among other colleagues within the organization.

On the yearly basis, the Board and other sub-committees are required to conduct the self-assessment, both as the whole committee and as an individual, and to review and conclude all opinions about the directors’ performance during the year. These opinions shall collect to solve and enhance the future performance. The assessment criteria are consistent with each committees’ charters and the guideline defined by the SET; for example, the forms of the Board Skill Matrix and the Board self-assessment form include;

#### Board Skill Matrix

1. Business Management
2. Industry
3. International Business
4. Strategic Management
5. Laws and Regulations
6. Accounting
7. Finance
8. Information Technology
9. Other Specific Knowledge

#### Board Self-Assessment as a whole

1. Committee Structure and Qualifications
2. The Committee Meeting
3. Roles, Duties and Responsibilities of the Committee

#### Board Self-Assessment as an individual

1. Committee Structure and Qualifications
2. The Committee Meeting
3. Roles, Duties and Responsibilities of the Committee



**The Board of Directors and the sub-committees' self-assessment results for the year 2016**



Notice:

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Fair or moderately conducted
- 3 = Agree or well conducted
- 4 = Strongly agree or excellently conducted

**Anti-Corruption**

As a corporate citizenship, the Board defines the Anti-Corruption policy as well as the responsibilities of directors, executives, and employees at all levels. This begins with creating awareness and values in 'Self-Respect' under the belief if a person perceives and respects his/ her values, it shall be the fundamental of integrity and self-control to avoid himself or herself from doing any wrong actions as well as any wrong thought.



On September 2<sup>nd</sup>, 2016, IRC and IRCT's group together stated our power against corruption by having 1,200 employees participated in this event.

### The Procedure of Monitoring and Evaluating the Implementation of Anti-Corruption Policy

To encourage employees at all levels to act in accordance with procedures set in the Anti-Corruption policy, IRC has provided the communication channels such as training to existing employees, presented as orientation curriculum for new employees which there are quizzes before and after trainings to test the understanding. Additionally, IRC has provided the communication materials of the Business Morality, Code of Conduct and Anti-Corruption Policy for publication to employees during lunch. For no gift policy, it is a part of anti-corruption policy which was announced by the Company to set as the practice standard to all employees.

### Whistle-Blowing Procedure

**IRC has provided the channels for whistle-blowing namely;**

- Filing complaints by verbal to the Company's Chairman
- Comment boxes as placed in the Company

In case that the whistle-blower does not want to disclose himself/ herself, the Company has opened the electronic channels namely;

- Email: [listen@ircthailand.com](mailto:listen@ircthailand.com)
- Website: [www.ircthailand.com/en/investor/corporate/whistleblowing](http://www.ircthailand.com/en/investor/corporate/whistleblowing)

IRC has a policy to keep all the information confidentially in order to protect the whistle-blowers from any fear of authority power or any action of the violation. After the case end, the Company will report the investigation result to the whistle-blowers as appropriated.

### The Evaluation of Corruption Risk

The Board assigned the Risk Management Committee to assess corruption risks and impacts that might occur to the Company so that the risk has usually been examined and monitored. Moreover, the policy, procedures/ practices and the authority table are set as a part of risk management process in order to create internal check and balance mechanism. As a result, the Company has communicated this risk management for all related persons to realize and implement in the same practice for all enterprise.

### Social and Environmental Practice

The Corporate Governance and Social Responsibility Committee 'the Committee' appointed the 'Working Team' consisting of executives and employees from various departments that normally have interaction with IRC's stakeholders by following their roles and responsibilities so that they can drive IRC's sustainability in terms of Environment, Social, and Governance 'ESG' as policy and procedure assigned by the Committee. The Working Team shall listen and receive comments and recommendations from stakeholders then report to the Committee on a quarterly basis or immediately if urgent so that the Committee is able to define the proper and impromptu strategy and procedure to manage each group of stakeholders. If there are any significant issues that shall affect the Company's business strategy or forecast, the Committee shall report to the Board to consider and define the procedure to manage later on.

### Corporate Social Responsibility Activity Enhancing Corporate Sustainability

The Board, the Executive Committee and the Corporate Governance and Social Responsibility Committee together define the strategy to drive IRC's CSR activities namely;





### ‘IRC’:

enhance employees knowledge and well-being as well as using resources sustainably



### ‘Neighbor’:

having good relationship and being united with neighbor



### ‘Community/ Nation’:

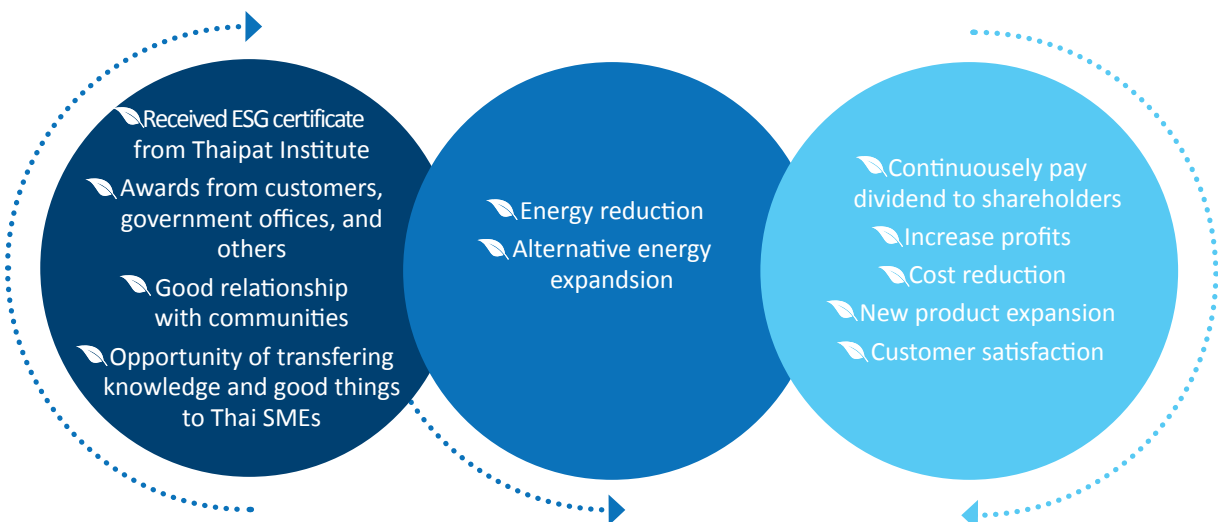
support the development and help solve the nation problem based on IRC’s strength e.g. pushing Social Enterprise projects



### ‘Global’:

IRC as a part of global warming and greenhouse gas emission reduction

#### The Results of Pushing Forward and Implementing the Sustainability Policy



# Stakeholder Engagement

The Company listens to every voice from the related stakeholder about each step of business operation and realized the importance of running the business with CSR-along-process. We deliberately aims to driven the strategies together with continuously improves the stakeholder engagement to efficiently and extensively respond the requirement and expectation of the stakeholder.

In 2016, IRC determined the goal and operated the activities with 9 groups of stakeholder through Corporate Social Responsibility activities in many aspects which are;

- |                   |                                                                                                                                                                                                                                            |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CSR in Process    | > activities that occur along the Company's production process                                                                                                                                                                             |
| CSR after Process | > CSR activities that occur after the Company's production process and provide good impact to surrounding communities, society and country.                                                                                                |
| CSR as Process    | > CSR activities that are based on the process and intend to pushforward the social enterprise, which is able to expand the benefits and bring about the prosperity to communities and society so that they can sustainable self-reliance. |

## 1. Employees

'People' are significant factor in driving the organization towards the sustainable growth. IRC thus determines the goal to enhance the employees in every level by providing them a special training following their ability and knowledge that are necessary to their working task. This not only enhances the employee's potentiality, but also pushes forwards their thinking development to support their professional progress. Finally, this becomes training activities, seminars and field trips educating by both inside and outside instructors.

### Employees Engagement Activity

Happy Workplace project, Sending employees to travel back home safely, Vocational training program for senior employees, Financial Literacy to Employees, Annual Merit Activities in the Company, QCC Activities etc.

### IRC provides Financial Literacy: "Good Financial Discipline Creating Good Well-Being"



The Company provided financial literacy to our employees supported by the lecturers from Financial Consumer Protection Center, Bank of Thailand, to educate and to share experience about good financial disciplines, saving support and basic investment that bring about employees' sustainable living.

#### Definition:

People who work and driven the Company operation by receiving salary and benefits from the Company as compensation.

#### Expectation:

- Fair benefits and compensations
- Safety in work and good environment
- Working society and good colleague
- Professional route and progress



**Employees Engagement Activity**  
**“Sport Day activity”**



**2. Customers**

About 4-decades experience in the automotive industry, IRC has realized and stood for the IRCT’s Quality Spirit that

‘QUALITY FIRST, DELIVERY ON TIME,  
 CUSTOMER SATISFACTION’

Under the non-stop development in innovation together with production process to acquire global standard products. This can assure by the awards, certificates and trophies that we received both from our customers and external institutes.

**Definition:**  
 Buyers, users and service receivers of the Company

- Expectation:**
- Product quality
  - On-time delivery
  - Ability to develop products to meet customers’ requirements

**Certificate of QCC KAIZEN**  
**Quality production process**



**Certificate from General Motors**  
**Supplier Quality Award**





### DID RIDE for LIFE (D.I.D) Activity

The Company organized DID RIDE for LIFE activity and other activities with the customers such as HONDA in HONDA SPORT DAY 2016 as well as participated in the racing and provided IRC motorcycle tires in many programs to campaign safety driving.



### 3. Shareholders

The Board of Directors, as a representative of every shareholder group-- major and minor shareholders, institutional investors or foreign investors--has always protected the benefits of shareholders. The Board of Directors determined the policy and the handbook of good corporate governance and business morality as a guideline to follow, as well as continuously promote the development in corporate governance and the preparation of Sustainability Report. These are used to communicate and to understand the stakeholders, especially, the shareholders who receive information from other sources apart from financial statement. As a result, all stakeholders can together understand and realize the goal and direction of the IRC's operation in long-term.

**Definition:**  
People who hold 'IRC' share both persons and legal persons without considering about proportion of share holding

**Expectation:**

- Receive correct, complete, explicit and updated both financial and non-financial reports
- Continuously pay the dividend

### Received ESG 100 Certificate



In 2016, IRC was chosen from 621 listed companies as 1 of the 100 outstanding companies to receive the ESG 100 Certificate from Thaipat Institute in terms of environment, society and governance. This certificate guaranteed the success and acceptance of the Company's sustainable business operation, which respond to investors that

'The company with good ESG will be able to make good benefits in investment'



### Analyst Meeting



Mrs. Pimjai Leeissaranukul, the Chairman, presented the Company’s performance in FY 2015 and the project plan in 2016 to the analysts from ASIA PLUS, BLS, FINANSIA SYRUS, KGI, and KKTRADE on November 26<sup>th</sup>, 2015 at Vitya Memorial Hall, Inoue Rubber (Thailand) Public Company Limited.

### IRC’s Opportunity Day

Mrs. Pimjai Leeissaranukul, the Chairman, reported the Company’s performance and the forecast of Quarter 3 to the analysts, investors and mass media at the “Opportunity Day” event on September 8th, 2016 at the Stock Exchange of Thailand.



## 4. Society / Community / Environment

IRC keeps and intends to operate the business with CSR-along-process. The Company has determined the philosophy and has transferred it to IRC people from generation to generation until it has become the organization’s culture such as efficient energy use, recycling, environment and biodiversity saving, friendly product and production process development, as well as knowledge transfer to create good environment in IRC, surrounding community, society and country with the Sustainable Development Goals (SDGs), which was implemented by the United Nation in 2016. IRC has studied about the

‘17 goals change the world’, then the Company’s working team has analyzed to find the direction of how IRC can be a part to support and push forward this development goal so Thailand can move towards the global sustainability through the Company’s activities and actions.

**Definition:**  
People who live around the factory or surrounding community such as temple, school, people, society and country as a whole

**Expectation:**

- Completely operate the CSR-along-process
- Share, support and push forward the community and society to have good living and quality life
- Promote good tradition and culture of the community, society and country
- Promote the sustainable business growth





**HAI ARCHEEP – HAI CHEEVIT Project:**

From the intention to become a part to create Thai society, HAI ARCHEEP – HAI CHEEVIT then was created with the aim to train the female prisoners for starting the career after being acquitted so that they can earn their living and take care of their families without turning back to illegal activities.

IRC, led by Mrs. Pimjai Leeissaranukul, the Chairman, organized the training session about the moral, good attitude in living and vocational training as well as provide the facilities for the female prisoner development at the Klong 5 Women’s Correctional Institution, Klong lhuang, Pathumthani, to be skilled labor under the cooperation of the Department of Corrections. The project has continued for 3rd consecutive years consisting of 666 participants.



‘Create good people to society’

**Production Line Improvement Project  
(Dust and Heat Reduction as well as Wastewater Reuse)**



Enhance wastewater treatment system



Set up Dust Collector for dust reduction



Set up ventilation system for heat reduction





### Solar Cell Installation



### Playground Renovation for the School nearby the Company

Improved and repaired playground equipments at Siwaram temple school, Pathumthani, to support the activities for children in the community



### Safety Driving Campaign during Festival Project

Promoted and organized the activities of safety driving during New Year and Songkran festival by set up the rest area and facilitated people with the Provincial Government of Phra Nakhon Si Ayutthaya as well as provided drinking water, cooling towel and snack to the passengers who passed through the Wangnoi highway.



ร่วมกับ ทบวงการหลวงรังษี และจุดบริการตำรวจทางหลวงรังษี  
สนับสนุนน้ำดื่ม และบริการห้องน้ำสะอาด จังหวัด  
สับสนุนน้ำดื่ม และบริการห้องน้ำสะอาด จังหวัด

### Safety Driving...Wearing Helmet Project



IRC campaigned people to comply with the traffic regulations by providing helmet to motorcyclist in Pathumthani and Phra Nakhon Si Ayutthaya provinces through the responsible police stations and IRC activities as nationwide. This activity aims to prevent damage and accident on the road as well as to motivate people to aware of the safety in driving.







**Projects...that relate to culture promotion**

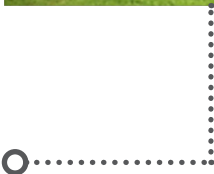
*...to cultivate and preserve on good tradition*

*...to stay with the good identities of community and locality*



**5-Precept Activity**

IRC provided experienced and literate instructors to cultivate employees and to support them to clearly realize and understand the meaning and importance of the 5 precepts so that they can adapt the 5 precepts with their real life and working. This consequently brings happiness to society, reduces conflict and creates good working environment.



**Making Merits on Special Religious Days**

Such as Visakhabucha day, Makhabucha day, Asarnlahabucha day etc.





**Projects...that relate to culture promotion**

*...to cultivate and preserve on good tradition*

*...to stay with the good identities of community and locality*



**Pouring Water and Asking for Blessing from Elders,**

**On Songkran day**

During Songkran festival, we gave presents, poured water and asked for blessing from elders in the community around the Company. We did it for fortunate life, showed gratitude and perserved on good Thai culture and tradition.



**5. Suppliers**

IRC hold on the principles of behaving towards supplier with fairness, and has determined the practices of choosing suppliers in the working procedure to ensure that the chosen suppliers would be able to deliver quality products and services to the Company, and to support the sustainable business operation with CSR-along-process. Thus, Industrial Supply Chain Efficiency Improvement was one of the intention that IRC aimed to push forward the Small and medium-sized enterprises to enhance their competitiveness and to become economic driving henceforward.

The Company had signed the Memorandum of Understanding (MoU) with the advisor of College of Innovation and Management, Suansunandha Rajabhat University, under the Industrial Supply Chain Efficiency Improvement Project organized by Department of Industrial Promotion, Ministry of Industry. The purpose of this project is to develop and improve the supply chain management system which the Company has cooperated with specialists in monitoring and improving such a system. In addition, the Company has provided advices to our suppliers and related Small and Medium Enterprises (SMEs) in order to enable them to enhance their productivity and competitiveness.

**Definition:**  
People who involve in the delivery of products, services and materials for IRC

- Expectation:**
- Choose suppliers and have competition with fairness
  - Exchange idea/suggestion about economic, social and environmental issues.



กรมส่งเสริมอุตสาหกรรม  
Department of Industrial Promotion

กระทรวงอุตสาหกรรม  
Ministry of Industry





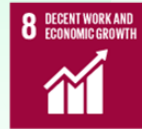


**Social Enterprise Project**

**“IRC Supports Klongpang Cooperative, Trang Province, To Receive ISO 9001:2015 International Standard”**

Mrs. Pimjai Leeissaranukul, the Chairman, together with Mr. Saner Choojan, Deputy Director of the Cooperative Promotion Department, took a participation in ISO 9001:2015 standard kick off ceremony at Klongpang cooperative. The project was aimed to enhance the managerial production standard of rubber sheet to an international standard to sustainably become a high quality rubber sheet producer and supplier, but also to be a prototype of the development of Thai rubber farmer potential to the global market.

To support, IRC has provided knowledge about the process of receiving latex from farmers through the production process and the forming of rubber smoked sheet process until the grading process to the rubber farmers, including the knowledge of upgrading the rubber quality to an international standard under the support of Cooperation Promotion Department and Department of Agriculture Extension. Klongpang cooperative has become the first natural rubber producer who would apply the ISO 9001:2015 in the production process. This project has not only enhanced the working standard, the potential of the organization and the economic development in the community, but also has responded to the government policy of resolving low rubber prices and helping rubber farmers.



Mrs. Pimjai Leeissaranukul–The Chairman is full of intention and commitment to form the cooperation project between IRC and Klongpang cooperative, Trang province, as a Social Enterprise Project prototype. The private sector, especially tire manufacturers, will become a thinking partner (“Puen-Koo-Kid”) who transfers knowledge and experience of the true stories that can be found in the production process. The Company aims to wing up Thai rubber farmers so they will have an international quality standard that adds value to the products during the current low rubber price crisis.



This project will be a prototype project of Thai farmer’s efficiency improvement in moving forward to global competition by raising quality potentiality to international standard. The project aims to support rubber farmer’s living and to help improve the community economy to sustainably grow for Thai economy stability henceforward.

**Pimjai Leeissaranukul**  
 Chairman of Inoue Rubber (Thailand)  
 Public Company Limited



## 6. Media

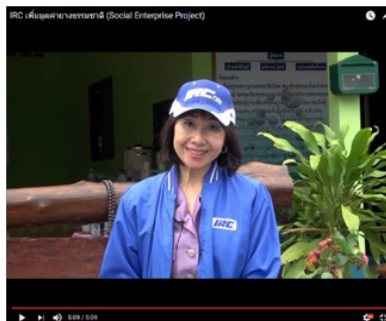
The disclosure of the accurate, complete, and on a timely basis information is the key for effective communication in order to provide shareholders information and progress and activities held by the Company. All media shall play an important role as a spokesperson and a channel of sending message to the Company's stakeholders.

Various media have reported IRC's operational result on the quarterly basis including other activities e.g. marketing activities, launching new products and CSR activities etc. Besides the reporting by mainstream media, we have the publication channels on our website and YOUTUBE as well.

**Definition:**  
Mainstream media such as newspaper, magazine, television, radio, online media, website, and analysts, etc.

**Expectation:**

- Receive IRC's operation and progress accurately, completely, and up-to-date
- Have a good communication and relations



Nowadays, online media change dimensions of communication from one-way to two-way communication so that a message receiver can respond, consult and exchange opinion with an information sender. Moreover, the behavior of how people nowadays receive information also pays more attention to online access.

IRC has realized the importance of online information dissemination, thus tried to improve and reform the Company's website –www.ircthailand.com– to be modern responding to the changing lifestyle. Accordingly, any interested person can get access to the Company's information since there is a channel for them to notify their requirement of receiving the Company's and IRC products information. In addition, there were also channels to contact directors and investor relations, for whistle blowing and complaint, and job application etc. We intend to create the efficient online channel to publicize, communicate and understand our stakeholders.



## 7. Government Sector

As a member of the society, IRC has operated many projects to support government policies, to enhance the country's competitiveness and to respond the country's sustainable development through innovation driving and technology transfer from the Company to the employees as well as to community and country on the conscious mind and recognizing of creating society and quality living for Thai people.

From operating the social projects, IRC has cooperated with many government units such as Ministry of Industry, Ministry of Labour, Ministry of Agriculture and Cooperatives, and Ministry of Science and Technology, as well as local government office to respond the social issues and together drive the related policies in maximizing positive impact and minimizing negative impact on the basis of operating the business with CSR-along-process.

- Expectation:
- Comply with the related rules and regulations
- Support government policies to create good society and environment for sustainable living





### Eco-Products International Fair 2016



### Innovation Exhibition of Value-Adding on Natural Rubber at the Government House



### Opening Ceremony of Prototype Sport Track Using Natural Rubber at Bang Yee Khan Wittayakhom School

IRC responded to the government policy that support the use of natural rubber to mitigate rubber's overstock and low price crisis. We built the sport track made of quality natural rubber that passed the laboratory test of Department of Science Service, and provided to the school to promote children's exercise and activities.





**MOU Signing Ceremony on Dual Vocational Training**

Currently, Thai labor market was lack of professional skilled labors and technicians. The Company realized that the key organization driver was creating and developing qualified human resources as the organization’s needs. This was accord with the Dual Vocational project of Vocational Education Commission which includes of providing knowledge and practicing professional skills to the student. This project not only gives opportunities to students to readily enter the working world after the graduation, but also provides knowledge/ skills that meet the qualifications of organizations.

**IRC Support Motorcycle Tires to the Police in various areas to be used in duty**



**IRC Received Certificate of Green Industry from Ministry of Industry**







## 8. Creditors

As of September 30th, 2016, the Company was in the position of no long-term debt. In case for the future, if the Company has debts, the Company will strictly comply with conditions/agreements as well as manage the capital following the objectives of borrowing and agreements or any condition. Accordingly, the Company intends to take action towards stakeholders with fairness according to the Handbook of Corporate Governance and Business Morality.

**Definition:**  
Financial Institution or the Company's debenture holders

**Expectation:**

- Completely repay the debts
- Strictly comply with the conditions/ agreements following the loan contract

## 9. Competitors

The Company holds on a liberated, transparent and fair competition, which creates invention and innovation. This brings about an efficient, cost reduction and environment-safely process including new products creation that leads business advancement and overall industrial development.

**Definition:**  
Other manufacturers of motorcycle tires & tubes, Industrial Elastomer parts for automotive industry and other industries as well as other Industrial Elastomer parts manufacturers responding to similar customers with the Company

**Expectation:**

- Free and fair competition



## Economic Performance

IRC continues to manufacture and develop its products to ensure sustainable economic growth and employment opportunities among local communities by focusing on raw material selection and testing procedures, enhancement of production process and techniques and innovative products creation and development. This has allowed IRC to continuously introduce new products into the market and generated as high as Baht 5,002.40million in total revenue and Baht 513.63 million in profit in the year 2016, which is an increase by 16.33 percent comparing to the previous year or an equivalent of 2.57 Baht in terms of earnings per share, allowing the Company to continuously pay dividend to its shareholders and allocate fair and appropriate compensations among its directors, executives and employees and even profit sharing among the stakeholders through various projects.

Debt to Equity Ratio (time) <i>in the downward trend</i>	FY 2014	0.52
	FY 2015	0.39
	FY 2016	0.34

### Financial Reporting

Throughout the past years, IRC managed to maintain its financial reporting standard by preparing its financial statements in accurate, transparent, reliable and verifiable manner and all of which have been independently audited and opinionated by certified auditors. In 2016, the Company has prepared Management Descriptions and Analysis (MD&A) and disclosed its quarterly and annual financial statements to the Stock Exchange of Thailand in order to publically notify and clarify its performance results among the shareholders and interested persons. At the same time, IRC has managed to uphold proper financial practice in analyzing the benefits and value for money that can be gained by the Company from making investments in machinery, production and numerous projects, including avoiding investing in businesses that are beyond its field expertise and trying to maintain sufficient capital flow for running normal operations in order to sustain the Company's credibility as well as the highest benefits of its shareholders.

### Green Value Chain

The key to achieving economic sustainability is through building Green Value Chain in order to establish a sustainable organization by incorporating social and environmental aspects in driving the business to promote transparency and fairness, including minimizing monetary losses, energy consumption and carbon emission as well as preventing corruptions and social inequality.



## Raw materials selection:

Choosing high quality and environmental-friendly raw materials through transparent procedure for every business partner



## Production:

Using innovation in the production process to create value added to the products in an environmental-friendly manner and promoting energy efficiency as well as the use of alternative energy.



## Product Delivery:

Delivering only products of standardized and environmental-friendly qualities within the specified period to achieve highest customer satisfaction.



## Application:

Focusing on customer safety first.



## End-of-Life:

Disposing products in environmental-friendly manner.

To ensure that its supply chain management is capable of delivering internationally-accepted quality products, IRC therefore become focus on improving its entire supply chain from upstream, midstream to downstream apart from improving its production process.

In 2016, partial natural rubber which IRC inputs into its production process came from Klong Pang Rubber Fund Cooperative Ltd., Trang Province where the Company audited the entire process starting from latex extraction and production process to grading process. Any areas that failed to meet the required standard will be advised on how to develop and improve higher production efficiency. These areas of improvement which have been greatly supported by Cooperative Promotion Department and Department of Agriculture under the Ministry of Agriculture and Cooperatives does not only ensure that high quality products are delivered by the cooperative but also help to strengthen the businesses of rubber growers amidst declining natural rubber prices. To ensure that rubber growers understand and recognize more on the importance of 'quality', IRC therefore organized Open House Activity by inviting representatives from Klong Pang Rubber Fund Cooperative Ltd. to come and observe IRC motorcycle tires production and quality inspection processes to see how each set of tires are carefully produced to achieve the highest quality before it reaches the hands of its consumers. Finally, through close cooperation and joint development, Klong Pang Rubber Fund Cooperative Ltd. has been accredited with ISO 9001:2015. This guarantees not only internationally accepted production standard of smoked rubbers but also the delivery of high quality rubber products that meet global market demand and can be directly exported to other countries, which help to avoid the problems of middleman and sub-standard rubber products.

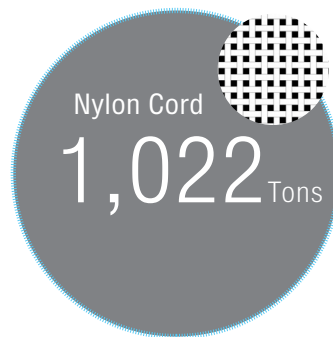
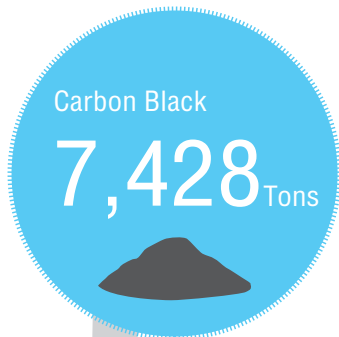
“ IRC does not reserve any rights of use of this public-private partnership model in which the Company established collaboration with the Cooperative as it can be beneficial for the whole country by demonstrating how public and private sectors can collaboratively achieve development in areas that needed improvement such as the case of rubber crisis which has proven that joint development is possible and therefore should be further promoted and supported. We are opened up to any new ideas to further improve this model for the best benefits of the country as well as younger generations to come

— Mrs. Pimjai Leeissaranukul (Chairman) — ”

IRC also aimed to strengthen and establish joined forces among those involved in the supply chain, particularly auto parts producers which require a network to ensure prompt delivery of high quality auto parts for automobile production, by collaborating with the Department of Industrial Promotion and College of Logistics and Supply, Suan Sunandha Rajabhat University in carrying out Industrial Supply Chain Efficiency Improvement Program for over 20 SME businesses that are part of the Company’s network in hope to uplift efficiency in various aspects including production and transportation costs reduction, wastes reduction, including increasing machinery utilization efficiency, restructuring work process, increasing sales and uplifting SMEs competency which is a major driving force of Thailand’s economy as per government strategic plan.

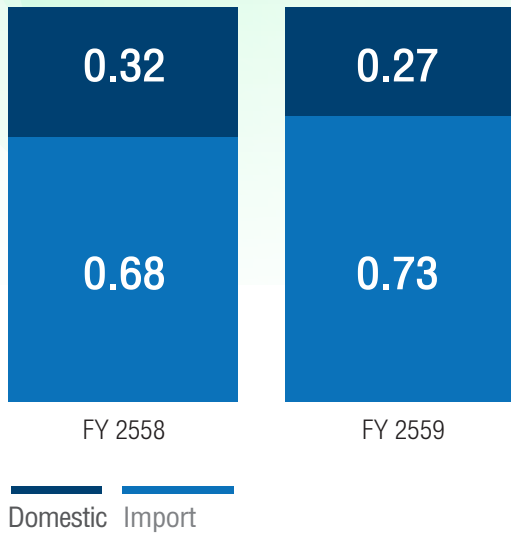
### Main Raw Materials

IRC’s production process consumes main raw materials in FY 2016 with the proportion of;






Proportion of raw materials consumption  
(Domestic: Import)





To support the use of domestic natural rubber aligned with the Government’s policy and to be a part of solving the drop in natural rubber prices, all natural rubbers that IRC uses in our production process come from standardized natural rubbers produced in Thailand. A part of them is directly supplied by Klong Pang Rubber Cooperative, Trang Province which IRC has come to develop the Cooperative’s production process to be certified ISO 9001: 2015. This helps rubber farmers to product natural rubber as the market’s needs both quantity and quality; moreover, this project brings about higher income and stable career to rubber farmers as well as help set our raw material standards before manufacturing the quality products to customers.

**Innovation Development**

Furthermore, research and development which is part of IRC’s strong points is another important aspect that will help the organization to achieve sustainable growth by developing new products through innovative creations together with production process improvement to ensure reliable and trustworthy quality control. At the same time, IRC aims to achieve highest customer satisfaction on both domestic and global scales by strictly upholding relevant protocols, business ethics and employee code of conduct, realizing the importance of innovation development, R&D, prioritizing and valuing intellectual property rights namely trademarks, copyrights, patents for formula/production process including research data as well as market and customer information, all of which has been continuously implemented and raised awareness among employees at every level to ensure business sustainability and create positive impact in the long run. In 2016, IRC has carried out product development and automation system installation for its production line in order to enhance production efficiency, product quality and production waste reduction.

- 

**185** Models  
Industrial Elastomer Parts
- 

**55** Models  
Motorcycle Tires and Tubes
- 

**39** Projects  
Automation System Installation Project



## Environmental Performance



As part of its commitment to establish good environment within the organization as well as for the surrounding communities, the overall society and the country, IRC therefore prioritizes on handling threats resulting from climate changes in the most efficient manner through sustainable development to ensure that all relevant laws and regulations have been complied with and to support Paris Agreement, an international agreement through which the Company contributes in addressing the worsening problem of climate changes by 1) reducing atmospheric temperature and 2) minimizing the use of existing resources and energy.

In 2016, IRC has defined “Energy Conservation Policy” to be upheld by all members within the organization in order to drive sustainable development in the aspects of environmental conservation and maintenance of balanced ecosystem.

1. The Company shall operate and develop its energy management system appropriately which shall be accounted as part of the Company’s operations and must be in line with relevant laws and regulations.
2. The Company shall continuously improve its energy consumption efficiency to ensure it is in line with the installed industrial technology and best practices.
3. The Company shall define energy conservation goals on a yearly basis and communicate these targets among all employees to ensure correct understanding and practice.



4. The Company considers energy conservation to be the responsibility of the executives and employees of all levels, all of who shall cooperatively comply with the defined measures, monitor and inspect such compliance and report to Energy Conservation Committee.
5. The Company shall provide necessary supports, human resources, budget and trainings and at the same time encourage employees to share opinions to ensure higher energy efficiency performance.
6. The Company, through Energy Efficiency Committee, shall review and improve corporate policies, goals and plans concerning energy efficiency on a yearly basis to ensure they are appropriate.

Through strong commitment and strict compliance with sustainable development policy, IRC finally gained environmental management system accreditation from ISO 1400, an internationally accepted standard in terms of economic and social aspects containing key principles including:



**Having been accredited by ISO 14001 has brought numerous advantages to IRC including:**

- Widening business opportunities and building customer confidence
- Reducing production costs through efficient use of energy and resources
- Having standardized water treatment system that can provide 100% reusable water
- Gaining acceptance from stakeholders namely communities, governmental agencies, customers and shareholders





### Environmental Impact Assessment

Environmental sustainability is amongst the most challenging yet crucial factors to IRC business. At IRC, we recognize and strongly believe that a good business must be able to carry out its operations alongside with community development and gaining acceptance from surrounding communities. Bearing this in mind, IRC therefore always conduct environmental impact assessment prior to any of its major projects in order to correctly define operational plans and measures and ensure that all stakeholder expectations are completely met. The Company also appointed a team to specifically follow up on and listen to the problems and concerns raised by the stakeholders from nearby communities. So far, no serious issues have been reported. The Company even allows nearby communities to visit its production site and observe the environmental standards and environmental management system implemented as a way to promote transparency and verifiability. No signs of violation or incompliance with environmental laws by the Company have been found during the past years.



### Energy Management

To promote efficient and sustainable use of energy, IRC therefore developed a systematic plan in improving its production process and operations. Throughout the year 2016, the Company has initiated various projects to successfully and concretely minimize its energy consumption such as:



#### Solar Panel Installation

This is a continuing project from the year 2015 under which the Company aims to expand solar panel installation on the rooftop of its factories with a total budgeting spending of Baht 2,500,000 in order to promote sustainable energy and alternative energy consumption which is clean energy, including reducing greenhouse gas emission. The expected payback period is 8 years. Meanwhile, the installed solar panels have the capacity to reduce its energy consumption throughout project period by 20 kW per hour or 80,000 kW per year as well as save energy by 300,000 Baht per year and reduce carbon emission, one of the greenhouse gases, by 29.68 tons per year which is equivalent to growing 81.31 trees per year. (Data as at 9 December 2016)



#### Motor Inverter Installation Based on Loads

According to relevant staffs, IRC managed to save energy by 7,260 kW per month or 87,120 kW per year after implementing the defined energy conservation scheme within its manufacturing facilities, which exceeded the expected target of 2,260 kW per month or 27,120 kW per year. The Company also gained economic benefits from saving energy by 0.46% of its total energy consumption in Wang Noi site. The expected payback period of this project is 1 year.



#### LED Lamps Installation

Through replacement of fluorescence and metal halide lamps with LED lamps, IRC was able to save energy by as much as 18 kW per hour or 133,334 kW per year. This is because LED lamp capacity is equal to the incandescent of a 40W lamp but requires electric energy of only 5W and it has longer useful life comparing to other types of lamp. The expected payback period of this project is 2 years.







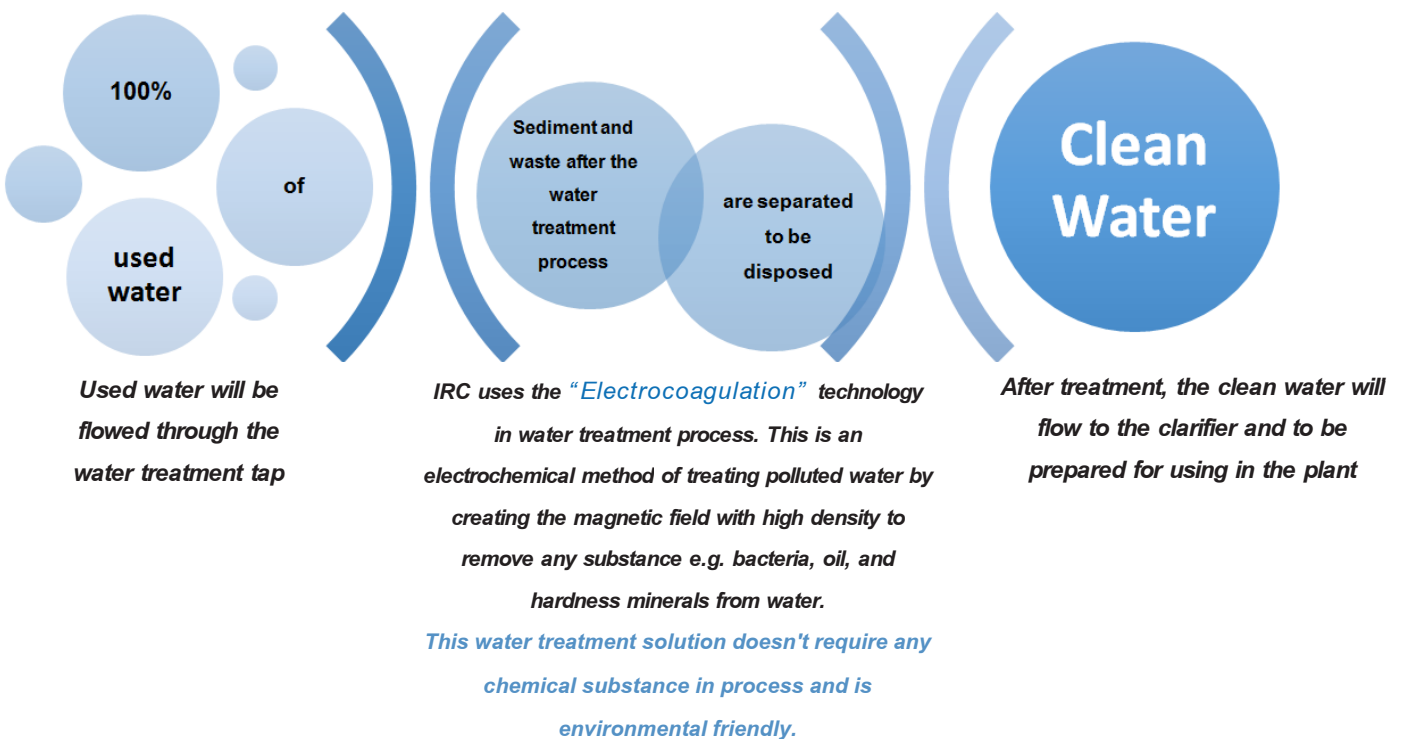
### Heat Reduction at Workplace

The Company designed and installed air ventilation system within its Tube Curing Facility, where immense heat is required during the tube production process, in order to reduce temperature by 5°C within workplace and successfully achieved its target.

### Water management

To ensure sustainable and efficient use of water, IRC therefore installed wastewater management system by integrating technology in its wastewater management and quality improvement processes in order to make treated water reusable. Based on the data collected and evaluation results, it can be found that water quality after treatment process passes the standard specified by law. Samples were also collected for outsourced licensed agency registered with the Department of Industrial Works to carry out water quality analysis.

In 2016, organic carbon analysis carried out by assigned unit revealed that COD (Chemical Oxygen Demand) values of treated water of Rangsit and Wangnoi sites are equal to 67.80 and 76.42, respectively decreased



In 2016, drought crisis which broke out in the central region due to El Nino had raised great concerns among both agricultural and industrial sectors which require a large amount of water for plantation and production. Since the drought also affected IRC businesses located in Rangsit-Nakhon Nayok area as well as Wang Noi District, Phra Nakhon Sri Ayutthaya Province, the Company therefore assigned a working team to continuously monitor the water levels in major and nearby dams. Fortunately, the Company was not affected by any water issues. Nevertheless, IRC decided to handle such problem in the long run by initiating projects to reduce its water consumption such as:



### Water Quality Improvement

To expand the amount of reusable treated water, the Company therefore implemented water quality improvement program from January – September 2016 at Wang Noi Facility. The results showed that the Company managed to save water by as much as 1,500 cubic meters per month or 18,000 cubic meters per year, which is accounted to 15% of annual water consumption of Wang Noi Facility, allowing the Company to save up to 466,000 Baht of water bill per year.

฿ 466,000  
Baht/year



### Chiller System Installation

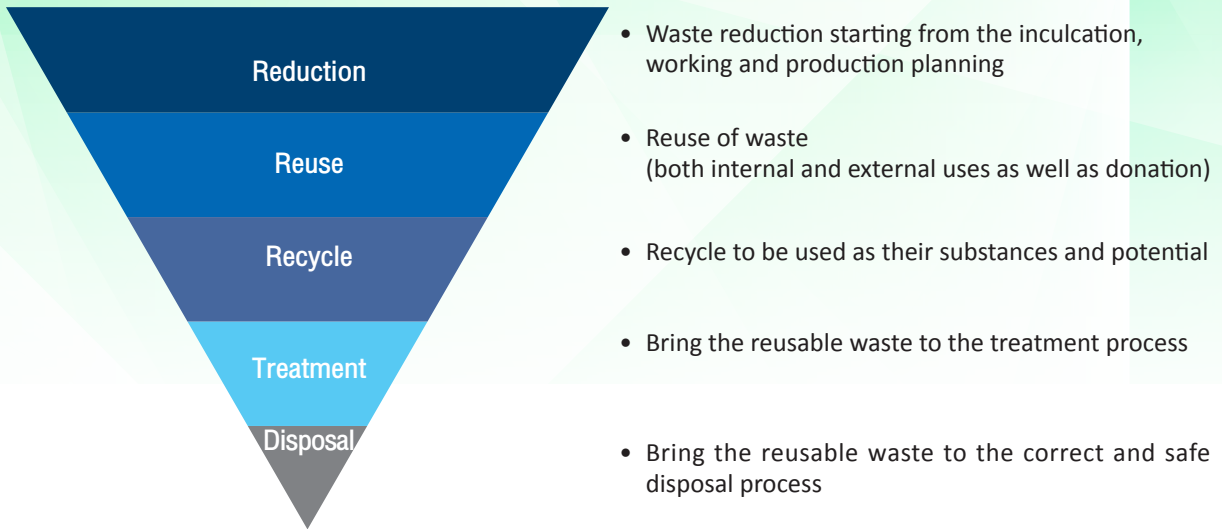
IRC installed chiller system within Wang Noi Facility to construct a closed system and at the same time reduce water losses from wastewater drainage. This allows the Company to save water by as much as 756 cubic meters per month or 9,072 cubic meters per year, which is accounted to 7.57% of annual water consumption of Wang Noi Facility, allowing the Company to save up to 176,000 Baht of water bill per year.

฿ 176,000  
Baht/year

### Production Wastes Management

IRC is determined to carry out product wastes management in the most efficient manner to achieve its goals of using resources efficiently and minimizing global warming issues.

The Company has adopted the 3Rs Principles in its production wastes management process starting from production planning, equipment modification to work process improvement, including adjusting employee behaviors to ensure the least amount of wastes created and properly handling each type of wastes as per relevant laws and utilization capacity.



General wastes such as recycled office papers that do not contain confidential information were donated to local schools under “Pathum Thani Roi Reem Roi Jai”, a project initiated under collaboration between IRC and Pathum Thani Province Industrial Council. Also, food wastes collected from IRC cafeteria which is daily used by over 1,700 employees were sold as livestock feed whereas rubber scraps from production process were either distributed to be used as alternative energy source to help reduce the use of fossil fuel as much as possible or to be processed as recycled rubber. These are all part of the Company’s 3Rs process.

For the wastes and excess materials disposal, the Company has campaigned ‘segregation of waste before disposal’ to be utilized and managed them suitably and systematically. Hazardous waste are delivered to reliable licensed plant for treatment/ disposal whereas recyclable wastes are sold to recycling plants; moreover, general wastes are disposed by the municipality.

## IRC Innovation that save the world

### Energy Saving

#### Tire Sponsorship in Solar Car Competition



IRC tires are designed to meet the limitation of weight, engine power etc. of solar car.

- ✓ No fossil-based energy
- ✓ No CO<sub>2</sub> emission



### Low-Rolling Tire

- ✓ Enhance fuel efficiency
- ✓ Reduce traction
- ✓ Reduce CO<sub>2</sub> emission



### Electric Motorcycle Tire

- ✓ Support electric vehicles



## Environmental Caring

### Rubber Chip for Athletic Track

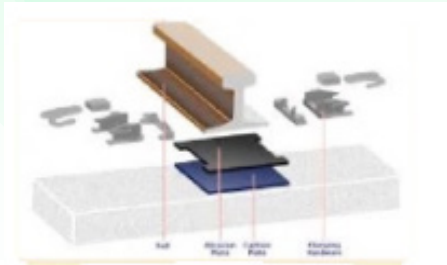
Chipped pieces of waste reduces waste dumping and pollution releasing, as well as increase the use of natural rubber, instead of synthetic EPDM for the lower layers.

Application property is comparable to traditional EPDM-based. Complied to Thai Industrial Standard (TIS) 2682-2558





### Natural Rubber Rail Pad



The rail pad is the pad put between rail and slipper to reduce noise and absorb vibration. Normally, it is a part of the rail system that has to be imported. Natural rubber is used in combine with synthetic material for new natural rubber rail pad development in place of imported version. It's according to Thai Industrial Standard (TIS) 2667-2558.

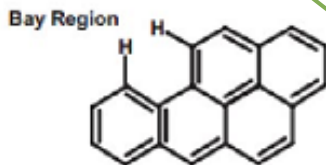
### Organic Oil Formula Rubber

Rubber compound formula that relies on natural rapeseed oil "Canola Oil" as the plasticizer, instead of synthetic aromatic oil.

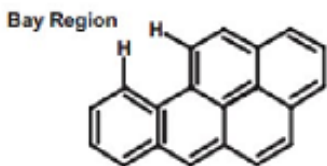
With parameter adjustments, the use of rapeseed oil results in the extra heat aging property. It suits well with many automotive air hose or air duct application.



### Low Polycyclic Aromatic Oil Formulation



benzopyrene



benzopyrene

Aromatic oil, containing cancer causing, is the by-product of petrochemical production that functions as plasticizer in rubber production.

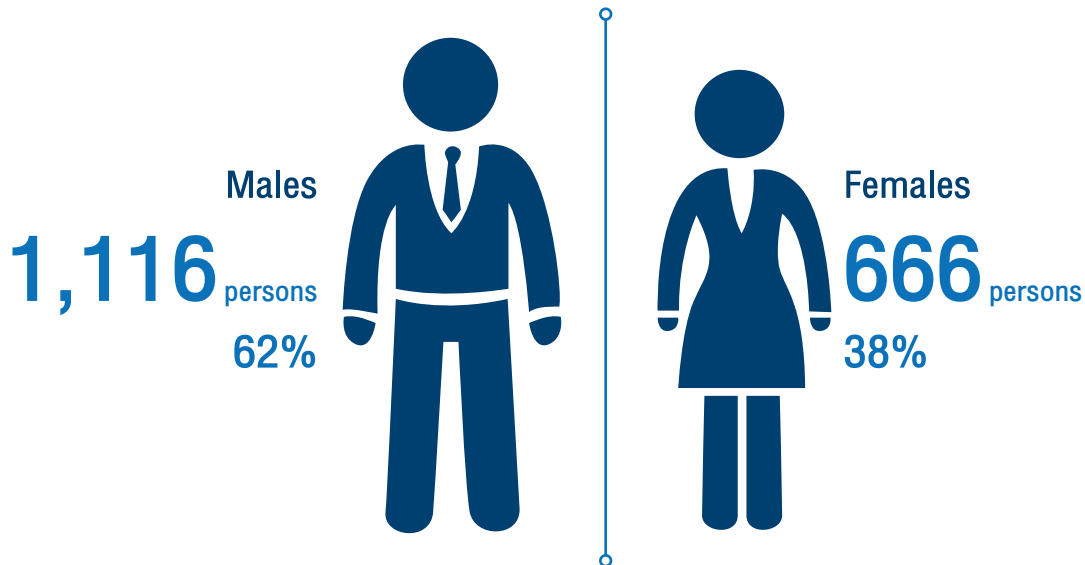
IRC has adopted the formulation that relies on other petrochemical by-products, instead of high cyclic-aromatic oil, with no compromising on product property.

# Social Performance

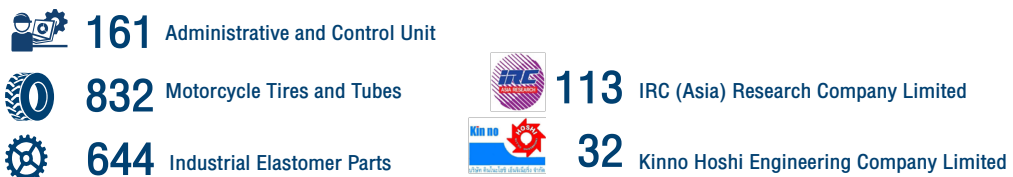
## 1. Smile & Smart Employee

“Since employees are the main driving force towards achieving sustainable success of an organization, IRC therefore places the great importance on our employees by ensuring that they are treated fairly and equally and with respect according to basic human rights required by laws and regulations whether it is during recruitment, performance evaluation or personnel development process. IRC has also defined operational policy and self-conduct and reaction to colleagues in its Code of Conduct and continuously provided in-house and off-house personnel trainings. The Company also recognizes the importance of maintaining proper occupational health and safety of life and property and proper working conditions for its employees by providing appropriate welfares such as hygienic and standardized cafeteria and medical service to ensure that all IRC employees are appropriately treated according to the specified policy and are working harmoniously together.”

As of 30 September 2016, the Company and its subsidiaries have a total of **1,782** employees



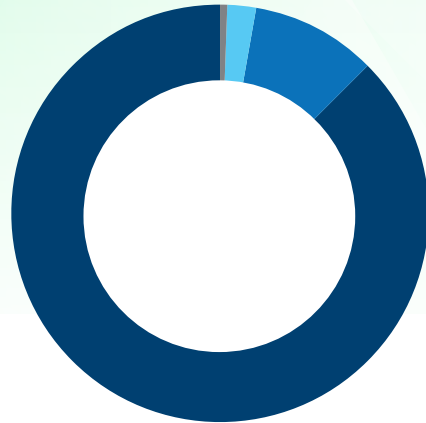
Number of IRC employees by business line is as follows:







Proportion of employees in 2016 (person) by position level

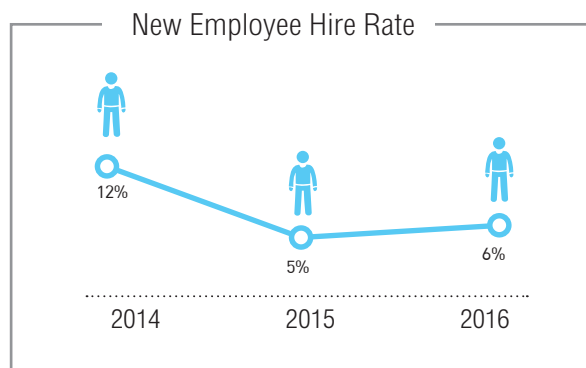
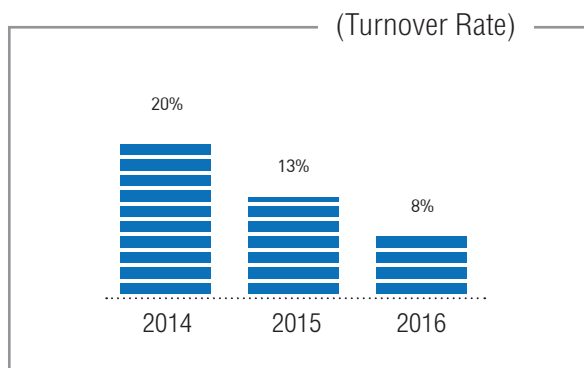


13 Executives  
 40 Middle Managers  
 173 Seniors  
 1,556 Staff

Under ‘Smile & Smart Employee’, IRC employees are entitled to the following 4 main benefits:

1.1 Joining IRC Team

At IRC, we sure that every employee shall undergo through fair and transparent recruitment and qualification procedures based on good governance principles and business ethics regardless of their nationality, religion, gender, age or even physical disability. Each employee shall be considered based on their qualifications, knowledge and capabilities together with their skills and work experience that are relevant to the position applied, including their potential to be further developed alongside with the organizational growth.



1.2 IRC Employee Compensation and Benefits

As means to motivate and reward our employees, IRC therefore develops fair compensation and benefits schemes for its employees at every level by surveying and comparing with the labor market and putting into account the impacts of dynamically changing living conditions. What’s more, IRC employees shall be entitled to receive special compensations based on organizational performance both in short and long terms and shall be given generous opportunities and even encouraged to gain promotions and competency development based on current positions and responsibilities.

All employees shall treat and be treated with equality and fairness according to basic human right principles such as non-discrimination, no use of forced or child labor, non-participation in labor trafficking and supporting gender equality. By upholding these principles, the employees shall be appointed, transferred, rewarded and punished in the most fair and transparent manner based on their knowledge, capabilities and suitability.

To ensure our employees have the rights to equal and fair treatment, IRC therefore encourages our employees to form 'Labor Union', which is a group legally established to represent the overall employees in overseeing the employment conditions as well as employee benefits and welfares and at the same time collaborate with the Company in providing good and healthy working conditions through holding regular consultancy meetings between the executives and the Labor Union. The Company has also appointed Employees Committee to act as employee representative and of which its members consist of directors appointed by the Labor Union and election to consult with representatives who are senior management in ensuring that appropriate welfare and benefits are provided to IRC employees. In 2016, all consultancy meetings were smoothly carried out and all enquires had been addressed and clarified. As a result, no significant labor disputes had been reported throughout the past 4 years.

Apart from the benefits which all employees are directly entitled to, IRC also cares for the family members of its employees by providing monetary benefits for various occasions such as the death of father, mother, spouse or children of the employees, including maternity and marriage allowances.

In respect to the fiscal year 2016, IRC and its subsidiaries had paid employee compensations in a form of salary, bonus, provident fund, social security and other employee welfares totaling 730.39 million baht. The details of IRC employee benefits are described as follows:

#### Monetary Welfare

- Provident Fund Program under which the employees are allowed to make their own savings plan. The savings rate and money contributed by the employer shall start from 3-6% and continually increase according to the employment period specified by the Company.
- Medical allowance for employees, including spouse and children.
- Death, maternity and marriage allowances to aid employees and their families.
- Life insurance

#### Healthcare Welfare

- IRC recognizes the importance of having good physical and mental health and have therefore arranged the following health-related welfares including:
  - Annual health check
  - Health and Medical Center with specialized physicians to give medical service and advice to employees
  - Sports activities
  - Gym and fitness center
  - Clean and hygienic cafeteria that serves foods at affordable price





### Other Employee Welfares

- Free uniforms and safety shoes which are provided to employees on a yearly basis
- Transportation service
- Recreational and Internet Centers
- Special privilege in buying IRC products
- Special activities such as Thank you party/ New Year party



### 1.3 Development and Moving Forward Together

By valuing employees as an essential resource in driving the organization forward in sustainable manner, IRC therefore focuses on personnel development while continuously moving its business forward. As part of its core missions, IRC aims not only at developing the knowledge and skills of its employees but also their attributes to ensure that every IRC employee possess the behavior and attitude that are in line with the established organizational culture. To achieve this, the Company therefore organizes employee orientation training so that new comers can gain direct learning experience from Productivity Training and Education Center covering major aspects of the organization such as employee safety which is part of the Company's top priorities. Hence, all new comers must learn safety practices through simulation and are required to recognize and understand basic operational functions of relevant machinery and equipment and at the same time avoid all potential occupational hazards. In addition, Human Resource Department shall conduct On-the-Job Training in order to assess operational readiness of newcomers in performing production work, including their performance efficiency and adaptability towards the organization.







In respect to driving employee potentials, IRC organizes revision training program twice a year for its employees to refresh their knowledge and skills to ensure that IRC employees in every level always possess the standard knowledge and skills required. What's more, Individual Development Plan has also been established to analyze employee strengths and weaknesses and Functional Competency has been carried out by each employee and their managers to seek areas of improvement in order to accurately develop the employees and clearly observe changes in employee working behaviors after receiving the training. Meanwhile, analysis results will help to select appropriate training programs for each employee in the areas that needed further improvement. This can be done in a form of in-house training which focuses on fundamental work and promotion and off-house training which focuses on potential development of specific positions.



Off-House Training



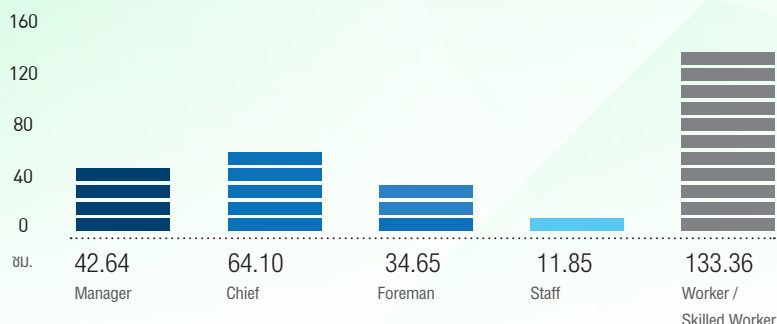
In-House Training

In addition, employees are given the opportunity to be trained in Japan as part of collaboration between The Association for Oversea Technical Scholarship (AOTS) and Inoue Rubber Company Limited (Japan) with the aim to provide practical trainings in the production process, including building direct experience and developing a working system that can be implemented after the training. The duration of this training program ranges from 6-12 months.





#### Average hours of training (by position level)



In 2016, approximately 99% of IRC employees received trainings with total average training hours equaling to 286.60 hours.

#### 1.4 Charity

Apart from creating happy working environments for our employees, IRC also passes on happiness to the overall society through the following activities:

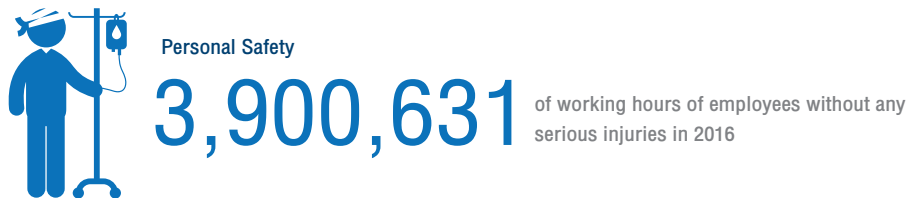
- Blood donation for the Thai Red Cross Society is held 3-4 times a year to encourage employees in giving blood donation by providing them with necessary facilities and personnel to help provide assistance on site.
- Charity and merit making on important occasions and religious holidays such as donating money and items to governmental agencies, schools, temples and surrounding communities, including merit making activities.
- 5 Precepts Program under which all employees are encouraged to participate and maintain proper code of conduct as good Buddhists.

#### 2. Occupational Health, Safety and Environment Performance

With determination to carry out its business by upholding employee safety as part of its top priorities, IRC has therefore appointed Occupational Health, Safety and Environment Committee (HSE Committee) in compliance with Ministerial Regulation on the prescribing of standard for administration and management of occupational safety, health and environment B.E. 2549 (2006), including defining occupational health, safety and environment policy to be used as guideline of practice concerning employee welfare, safety and working environment. The Company also promotes maintenance of good health as well as provides safe workplace environment and prevents potential hazards that may occur by educating its employees on how to cooperate with safety units of the Company through safety trainings.

### IRC Occupational Health, Safety and Environment Policy

1. The Company considers occupational safety to be the responsibility of every employee and requires all employees to participate and cooperate in occupational health, safety and environmental performance of the Company. Employees are allowed to raise opinions on how to improve work conditions and procedures to ensure highest safety.
2. The Company shall support and promote safe work conditions and procedures, including the use of appropriate safety equipment and maintenance of good occupational health among employees.
3. All supervisors shall oversee and ensure occupational safety of their subordinates. All supervisors must be good role models and leaders and shall be responsible for providing trainings and guidance and motivating other employees to practice safe work procedures in line with the defined safety regulations.
4. The Company shall support and promote occupational health and safety related activities that will help to raise awareness among employees such as trainings, incentives, public relations, safety contest, etc.
5. Each employee must take into account the occupational health and safety of themselves, their colleagues as well as the Company's property as part of their topmost priority while on duty.
6. The Company shall monitor and evaluate occupational health, safety and environmental performance to ensure strict compliance and highest efficiency





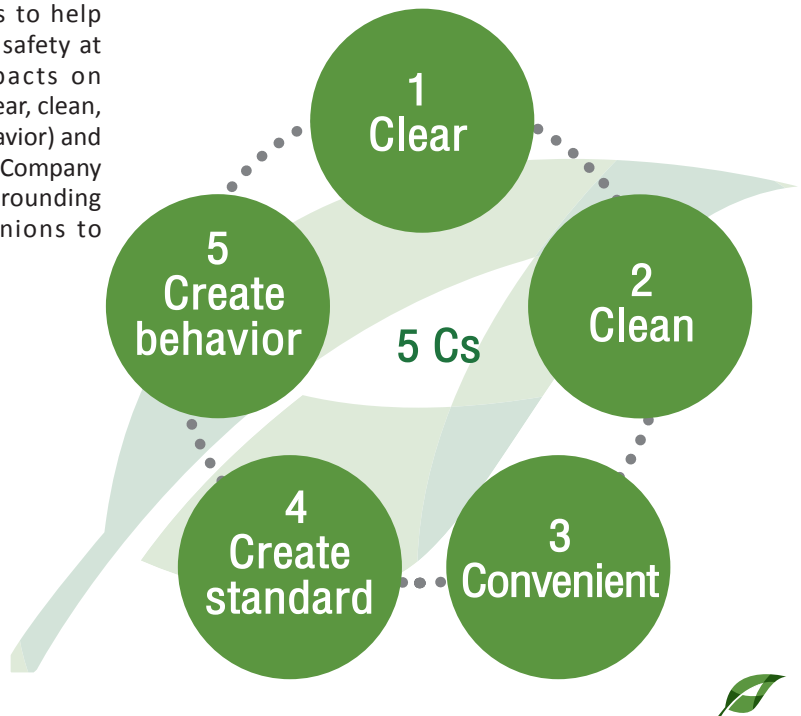


IRC also offer opportunities for its business partners and customers to take part in safety management by collaboratively conducting evaluation and organizing various activities and programs such as

- Cooperation Project held between the Company and Klong Pang Rubber Fund Cooperative Ltd. Trang Province under which the Company shall evaluate rubber production safety and employment standards to ensure they are in line with Labor Law.
- “DID RIDE FOR LIFE”, an activity organized under the collaboration between IRC and its customers such as Honda Sports Day which offers motorcycle inspection service and safe driving techniques or seminar sessions on motorcycle repair and maintenance techniques for mechanics.



IRC also focuses on organizing activities to help promote proper occupational health and safety at workplace, including minimizing impacts on surrounding community such as the 5C’s (clear, clean, convenient, create standard and create behavior) and the 5 Don’ts, 5 Do’s Policy under which the Company regularly conducts field survey on the surrounding community to consult and gather opinions to continuously improve its performance.



**5 Don’ts**

1. Step / sit / sleep on goods and raw materials
2. Placing goods and raw materials directly on the floors
3. Throwing goods and raw materials
4. Using damaged equipment / tools / machinery in the production process
5. Coming to work late or leaving before time

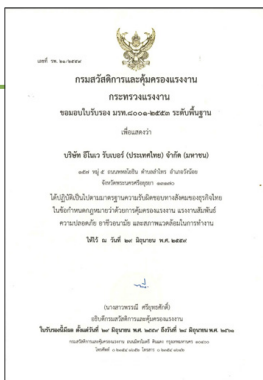
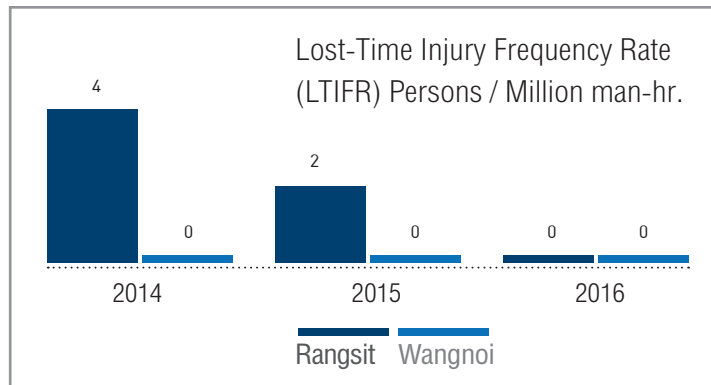
**5 Do’s**

1. Perform duty accurately and safely
2. Strictly perform duty according to the specified standard
3. Immediately stop working when discover production equipment or raw materials to be conflicting with the specified standard and make a report
4. Always carry out maintenance of machinery before and after use
5. Strictly maintain cleanliness and order at workplace

Furthermore, IRC regularly conduct drill practice in order to be prepared for any future emergency or crisis such as fire drill practice.



By monitoring the Company's performance throughout the year 2016, it can be found that the employee injury rates were lower than expected and no serious accidents had been reported due to strict compliance with the defined occupational health, safety and environmental policy and regulations of the Company which in turn allows IRC to gain numerous accreditations, awards and certificates throughout 2016.



**TLS 8001-2010 Certificate at Basic Level**

from The Department of Labor Protection and Welfare, Ministry of Labor to certify that IRC has achieved the requirements of Thai Corporate Social Responsibility based on legal provisions on labor protection, labor relations and occupational safety, health and environment

**Certificate of Achievement, Silver Level, 1st Year 2016**

Zero Accident Campaign, Ministry of Labor for gaining certified hours of 3,900,631



**Certification of Completion, 2016 TCC**



Safety Activity Target and achieving audit (Level A) from Toyota Co-Operation Club



### 3. Creating Customer Satisfaction

#### Customer Service

At IRC, we value our customer opinions as it plays a vital role in driving the organization towards achieving sustainable growth. Hence, IRC does not only emphasize on its customer importance but also on the quality of products and services delivered by ensuring that they meet the required standard and are promptly delivered in order to gain customer satisfaction in response to the Company's quality policy.

“  
‘Quality First,  
Delivery On-Time,  
Customer Satisfaction’  
”



We also maintain strict compliance with the regulations and guidelines specified in the “Handbook of Good Corporate Governance and Business Morality” concerning the delivery of quality products on time to meet or exceed customer expectations based on fair conditions. The Company shall provide accurate, adequate and updated product and service information to customers to so that they have sufficient information for decision making without making overstatements whether by means of advertisement or any other channels of communication that may mislead the customers about the quality, quantity or any terms and conditions concerning that product or service. Furthermore, the Company strictly maintains its customer confidentiality by avoiding unlawful use of customer information for personal interests or the interests of others. Most importantly, the Company quickly addresses its customer needs and establishes efficient system and channels for customers to raise complaints concerning product and service quality and even conducts customer satisfaction survey of which the results can be useful for analysis to further review and develop current quality system.



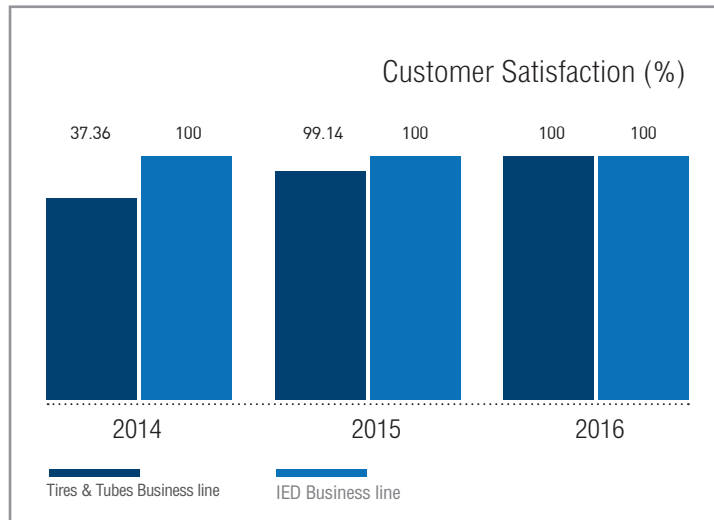


### Customer Satisfaction Survey

IRC regularly conducts annual customer satisfaction survey covering three main aspects including product quality, product delivery and services. The questionnaire comprises of five main topics including:

1. Customer satisfaction in product quality level and product quality improvement
2. Customer satisfaction in product application
3. Customer satisfaction in product design and product ranking in comparison with other competitors
4. Customer satisfaction in product delivery, on-time service, accuracy in terms of product quantity and delivery document, packaging standard and coordination with relevant staffs
5. Customer satisfaction in service and communication, completeness and accuracy purchase orders, coordination and after-sales service

In 2016, customer satisfaction survey revealed excellent results (100% score), allowing the Company to be granted with GM Supplier Quality Excellent Award by General Motors.





### Customer Opinions

Customer opinions and suggestions are considered to be highly useful information as it can help the Company improve its product and service quality as well as performance. Hence, the Company provides several channels for the customers to conveniently express their comments and opinions as follows:



Rangsit Site:  
258 Soi Ragsit - Nakornnayok 49, Prachathipat, Thanyaburi,  
Pathumthhani 12130  
Telephone: (66) 2 9960890

Wangnoi Site:  
157 moo 5, Phaholyothin Rd. Lamsai, Wangnoi, Ayutthaya 13170  
Telephone: (66) 35 214932-3



[www.ircthailand.com](http://www.ircthailand.com)

### 4. Corporate Social Responsibility

At IRC, we believe that sustainable happiness can be achieved through mutual sharing and co-existence with the society and environment which can be done by running the business while promoting social development and environmental preservation. At IRC, we do not only focus on developing internal factors but also external factors and the overall society and environment to ensure balanced and sustainable growth.

In 2016, numerous projects had been initiated with the aim to achieve continuous sustainability by building customer satisfaction and value creation for shareholders and promoting community and social developments based on existing social issues, expectations/needs or stakeholders, global trend, political situation and natural disasters. Each project was carried out through mutual sharing to sustainably create a happy society as shown in Topic "Stakeholder Engagement".

## Performance Data

GRI	DATA	UNIT	FY 2015	FY 2016
<b>DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED</b>				
G4-EC1	<b>DIRECT ECONOMIC VALUE GENERATED</b> Sale revenues	Thousand Baht	5,126,279.77	4,954,767.57
<b>ECONOMIC VALUE DISTRIBUTED</b>				
	COGS	Thousand Baht	4,330,718.71	4,028,243.42
	Employee Benefit Obligation	Thousand Baht	158,454.18	140,319.577
	Corporate Income Taxes	Thousand Baht	83,183.59	111,118.51
	Dividend Payment (*waiting for shareholders' approval on 2016 AGM)	Baht/Share	0.8830	1.0273*
	Community Investments	Baht	N/A	3,725,200
G4-EC9	Proportion of spending on local supplier in Thailand	%	68	73
<b>SOCIETY</b>				
<b>ANTI-CORRUPTION</b>				
G4-S04	<b>ANTI-BRIBERY AND CORRUPTION (ABC)</b> Percentage of employees that anti-corruption policies and procedures have been communicated to.	%	N/A	100
G4-S05	Confirmed incidents of corruption and actions taken.	Cases	NONE	NONE
<b>CORPORATE GOVERNANCE AND COMPLIANCE</b>				
G4-HR2	<b>HUMAN RIGHTS</b> Total hours of employee training to human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Persons	N/A	976
<b>SUPPLIER ASSESSMENT FOR HUMAN RIGHTS</b>				
G4-LA14	<b>THE PERCENTAGE OF NEW SUPPLIERS SCREENED BY HUMAN RIGHTS CRITERIA</b>	%	N/A	N/A
G4-LA15	<b>NO. OF SUPPLIERS SUBJECTED TO HUMAN RIGHTS</b>	Suppliers	N/A	N/A
G4-LA16	<b>NO. OF GRIEVANCE ABOUT HUMAN RIGHTS</b>	Cases	NONE	NONE
<b>LABOR PRACTICES</b>				
G4-10	<b>WORKFORCE</b> Total Workforce	Persons	1,844	1,782
	Workforce by Area			
	Rangsit	Persons	1,007	970
	Wangnoi	Persons	837	812
	<b>Workforce by Gender</b>			
	Male	Persons	1,154	1,116
	Female	Persons	690	666
	<b>Workforce by Nationality</b>			
	Thai	Persons	1,808	1,751
	Others (Japanese, Laos, Myanmar, etc.)	Persons	36	31
	<b>Workforce by Age</b>			
	<30 years	Persons	549	404
	30-50 years	Persons	1,222	1,289
	>50 years	Persons	73	89
	<b>Employee by employment type</b>			
	Permanent	Persons	1,841	1,779
	On contract	Persons	3	3
	<b>Employee by employee category</b>			
	Executive	Persons	12	13
	Middle Management	Persons	34	40
	Senior	Persons	189	173
	Staff	Persons	1,609	1,556
	<b>Employee by business line</b>			
	Admin & Control	Persons	169	161
	Motorcycle Tire and Tube Business	Persons	864	832
	IED Business	Persons	669	644
	IRC (Asia) Research Co., Ltd.	Persons	106	113
	Kinno Hoshi Engineering Co., Ltd.	Persons	36	32
<b>EMPLOYEMENT</b>				
G4-LA1	<b>NEW EMPLOYEE</b> New Employee	Persons	84	112
	New Employee hire rate	%	5%	6%
	<b>New Employee hire by Age Group</b>			
	<30 years	Persons	81	95
	30-50 years	Persons	3	17
	>50 years	Persons	NONE	NONE
	<b>TURNOVER</b> Total	Persons	236	141



	<b>Turnover rate by Age Group</b>			
	<30 years	Persons	77	59
	30-50 years	Persons	117	79
	>50 years	Persons	4	3
	<b>Turnover by Area</b>			
	Rangsit	Persons	147	80
	Wangnoi	Persons	89	61
<b>G4-LA3</b>	<b>PARENTAL LEAVE</b>			
	Employee taken parental leave	Persons	N/A	N/A
	Employee returned to work after parental leave	Persons	N/A	N/A
	<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
<b>G4-LA5</b>	Percentage of total workforce represented in formal joint management-worker health and safety members	%	NONE	NONE
<b>G4-LA6</b>	<b>FATALITIES</b>			
	Total Workforce	Persons	NONE	NONE
	Independent Contractor	Persons	NONE	NONE
	<b>INJURIES FREQUENCY RATE (IFR)</b>			
	RS Total Workforce	Persons/ Million man-hr.	3.15	3.00
	WN Total Workforce	Persons/ Million man-hr.	1.60	0.83
	<b>INJURIES FREQUENCY RATE (IFR) BY TYPE OF EMPLOYEE</b>			
	Permanent	Persons/ Million man-hr.	NONE	NONE
	On contract	Persons/ Million man-hr.	NONE	NONE
	<b>LOST-TIME INJURY FREQUENCY RATE (LTIFR)</b>			
	RS Total Workforce	Persons/ Million man-hr.	2.00	NONE
	WN Total Workforce	Persons/ Million man-hr.	NONE	NONE
	<b>LOST-TIME INJURY FREQUENCY RATE (LTIFR) BY TYPE OF EMPLOYEE</b>			
	Permanent	Persons/ Million man-hr.	NONE	NONE
	On contract	Persons/ Million man-hr.	NONE	NONE
	<b>TRAINING AND EDUCATION</b>			
<b>G4-LA9</b>	<b>TRAINING AND DEVELOPMENT</b>			
	<b>Average hours of training per year per employee by gender</b>			
	Male	Avg. hrs/ person	42.52	38.74
	Female	Avg. hrs/ person	27.56	37.12
	<b>Average hours of training by employee category</b>			
	Manager	Avg. hrs/ person	47.85	42.64
	Chief	Avg. hrs/ person	68.46	64.10
	Foreman	Avg. hrs/ person	109.97	34.65
	Staff	Avg. hrs/ person	21.72	11.85
	Worker / Skilled Worker	Avg. hrs/ person	71.78	133.36
	TOTAL	Avg. hrs/ person	319.78	286.60
<b>G4-LA11</b>	<b>EMPLOYEE RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (excl. people in unclassified group)</b>			
	Executive	Persons	15	15
	Middle Management	Persons	40	40
	Senior	Persons	234	234
	Employee	Persons	1,548	1,486
	<b>SUPPLIER ASSESSMENT FOR LABOR PRACTICES</b>			
<b>G4-LA14</b>	<b>THE PERCENTAGE OF NEW SUPPLIERS SCREENED BY LABOR PRACTICES CRITERIA</b>	%	N/A	N/A
<b>G4-LA15</b>	<b>NO. OF SUPPLIERS SUBJECTED TO LABOR PRACTICES</b>	Suppliers	N/A	N/A
	<b>LABOR PRACTICES GRIEVANCE MECHANISMS</b>			
<b>G4-LA16</b>	<b>NO. OF GRIEVANCE ABOUT LABOR PRACTICES FILED, ADDRESSED, AND RESOLVED THROUGH FORMAL GRIEVANCE MECHANISMS</b>	Cases	NONE	NONE
	<b>CORPORATE SOCIAL RESPONSIBILITY</b>			
<b>G4-EC1</b>	<b>PILANTHROPIC ACTIVITIES</b>			
	(Community Total contribution (presented in CSR activities expenses) investments)	Baht	N/A	3,725,200
	<b>COMPLIANCE</b>			
<b>G4-S08</b>	<b>SIGNIFICANT FINE for NON-COMPLIANCE WITH LAWS AND REGULATIONS</b>			
	Number of Fine	Case	NONE	NONE
	Amount of Fine	Baht	NONE	NONE
	<b>SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY</b>			
<b>G4-S09</b>	<b>THE PERCENTAGE OF NEW SUPPLIERS SCREENED BY IMPACTS ON SOCIETY</b>	%	NONE	NONE
<b>G4-S010</b>	<b>NO. OF SUPPLIERS SUBJECTED TO IMPACTS ON SOCIETY</b>	Suppliers	NONE	NONE
	<b>GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY</b>			
<b>G4-S011</b>	<b>NO. OF GRIEVANCE ABOUT IMPACTS ON SOCIETY FILED, ADDRESSED, AND RESOLVED THROUGH FORMAL GRIEVANCE MECHANISMS</b>	Cases	NONE	NONE
	<b>PRODUCT RESPONSIBILITY</b>			
	<b>CUSTOMER HEALTH AND SAFETY</b>			
<b>G4-PR2</b>	<b>NO. OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING CUSTOMER HEALTH AND SAFETY</b>			
	Tire and Tube Products	Cases	NONE	NONE
	Industrial Elastomer Products	Cases	NONE	NONE
	<b>PRODUCT AND SERVICE LABELING</b>			
<b>G4-PR4</b>	<b>SIGNIFICANT FINES for NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING PRODUCT AND SERVICE INFORMATION AND LABELING</b>			
	Number of Fine	Case	NONE	NONE
	Amount of Fine	Baht	NONE	NONE

<b>G4-PR5</b>	<b>CUSTOMER SATISFACTION SURVEYS</b>			
	Tire and Tube Products	%	99.14	100.00
	Industrial Elastomer Products	%	100.00	100.00
	<b>MARKETING COMMUNICATION</b>			
<b>G4-PR7</b>	<b>NO. OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING MARKETING COMMUNICATION</b>			
	Tire and Tube Products	Cases	NONE	NONE
	Industrial Elastomer Products	Cases	NONE	NONE
	<b>CUSTOMER PRIVACY</b>			
<b>G4-PR8</b>	<b>NO. OF INCIDENTS OF SUBSTANTIATED COMPLAINTS REGARDING BREACHES OF CUSTOMER PRIVACY</b>			
	Tire and Tube Products	Cases	NONE	NONE
	Industrial Elastomer Products	Cases	NONE	NONE
	<b>COMPLIANCE</b>			
<b>G4-PR9</b>	<b>SIGNIFICANT FINES for NON-COMPLIANCE WITH LAWS AND REGULATIONS CONCERNING THE PROVISION AND USE OF PRODUCTS AND SERVICES</b>			
	Amount of Fine	Baht	NONE	NONE
<b>MATERIALS</b>		<b>SENVIROMENT</b>		
<b>G4-EN1</b>	<b>MATERIAL USED</b>			
	Non Renewable Materials	Tons	N/A	N/A
	Renewable Materials	Tons	N/A	N/A
<b>G4-EN2</b>	Percentage of materials used that are recycled input materials	%	N/A	N/A
	<b>ENERGY</b>			
<b>G4-EN3</b>	<b>ENERGY CONSUMPTION</b>			
	Total energy consumption	TJ	3,116.94	2,920.27
	Total direct energy consumption (Electricity)	TJ	1,420.77	1,373.54
	Total indirect energy consumption (Bunker Oil + GAS LPG)	TJ	1,696.16	1,546.73
<b>G4-EN3</b>	<b>ENERGY CONSUMPTION BY TYPE</b>			
	Electricity	TJ	2,944.45	1,373.54
	Steam	TJ	366.01	348.23
	Fuel	TJ	1,330.15	1,198.50
<b>G4-OG3</b>	<b>RENEWABLE ENERGY</b>			
	Solar Cell (1st Installment in August 2015)	TJ	0.11	0.84
<b>G4-EN5</b>	<b>TOTAL ENERGY INTENSITY</b>	TOE/ Total Revenues	NONE	NONE
<b>G4-EN6</b>	<b>REDUCTION OF ENERFY CONSUMPTION</b>			
	Electricity	TJ	80.40	47.51
	Steam	TJ	NONE	39.35
	Fuel	TJ	27.44	55.35
	<b>GREENHOUSE GAS EMISSION (GHG)</b>			
<b>G4-EN15</b>	Direct GHGs Emissions (Scope1)	Tons	388,646	8,773,915
<b>G4-EN16</b>	Energy Indirect GHGs Emissions (Scope2)	Tons	20,595	14,137,536
<b>G4-EN18</b>	GHGs Emission Intensity	Tons/ Production Tons	NONE	NONE
<b>G4-EN18, 19,21</b>	<b>EMISSIONS</b>			
	Carbon dioxide (CO2)	Tons	37,564	11,201
	CO2 intensity	Tons/ Production Tons	NONE	NONE
	Nitrogen oxides (NOx)	Tons	NONE	NONE
	Nox intensity	Tons/ Production Tons	NONE	NONE
	Sulfur dioxide (SOx)	Tons	NONE	NONE
	SOx intensity	Tons/ Production Tons	NONE	NONE
	Total Suspended Particulate Matter (TSP)	Tons	NONE	NONE
	TSP Intensity	Tons/ Production Tons	NONE	NONE
<b>G4-EN24</b>	<b>SIGNIFICANT SPILLS</b>			
	Numbers of Spills	Cases	NONE	NONE
	Volume	Liter	NONE	NONE
	<b>WATER</b>			
	<b>WATER CONSUMPTION BY SITE</b>			
	Rangsit	M3	99,595	81,325
	Wangnoi	M3	119,804	126,187
<b>G4-EN8</b>	<b>SOURCE OF WATER</b>			
	- Tapped Water	M3	108,147	188,390
	- Ground Water	M3	111,252	19,122
	- Water from Other Sources	M3	NONE	NONE
	Water intensity	M3/ Total Revenues	NONE	NONE
<b>G4-EN10</b>	<b>WATER REUSED AND RECYCLED</b>	M3	NONE	NONE
	<b>WASTE</b>			
<b>G4-EN22</b>	<b>WATER DISCHARGE BY SITE</b>			
	<b>Rangsit</b>			
	- Water supply	M3	10,405	64,664
	- Deep well	M3	102,130	32,306
	- Total	M3	112,535	96,970
	<b>Wangnoi</b>			
	Deep well+water supply	M3	20,075	6,681
	Sanitary	M3	104,590	111,184
	Total	M3	124,665	117,865
<b>G4-EN23</b>	<b>WASTE DISPOSAL</b>			
	<b>Rangsit</b>			
	<b>Total hazardous waste</b>			



	- Hazardous waste exported to Waste Mangement Operator	Tons	213	287
	- Return from selling waste	Baht	173,042	41,514
	<b>Total non-hazardous waste</b>			
	- Non-hazardous waste recycling	Tons	1,066	883
	- Return from selling waste	Baht	4,676,491	3,117,029
	<b>Wangnoi</b>			
	Total hazardous waste			
	- Hazardous waste exported to Waste Mangement Operator	Tons	70	53
	- Return from selling waste	Baht	376,690	233,100
	Total non-hazardous waste			
	- Non-hazardous waste recycling	Tons	841	605
	- Return from selling waste	Baht	918.39	540.17
<b>COMPLIANCE</b>				
<b>G4-EN29</b>	<b>SIGNIFICANT FINE for NON-COMPLIANCE IN ENVIRONMENTAL ASPECTS</b>			
	Number of Fine	Case	NONE	NONE
	Amount of Fine	Baht	NONE	NONE
<b>G4-OG6</b>	<b>Volume of flared and vented hydrocarbon</b>	Tons	NONE	NONE
<b>AIR QUALITY</b>				
	<b>AIR QUALITY AVERAGE CONCENTRATION</b>			
	SOx	Mg/M3	320.85	331.55
	NOx	Mg/M3	167.60	116.15
	<b>AIR QUALITY AMOUNT</b>			
	SOx	Kilotons	NONE	NONE
	NOx	Kilotons	NONE	NONE
<b>BIODIVERSITY</b>				
<b>G4-EN11</b>	<b>LAND OWN</b>	Sq. Wah.		
	<b>NUMBER OF OPERATIONS IN, ADJACENT TO, OR CONTAINING PORTIONS OF DESIGNATED PROTECTED AREAS</b>	No. of Operation	NONE	NONE
<b>G4-EN12</b>	<b>NUMBER OF OPERATIONS IN, ADJACENT TO, OR CONTAINING PORTIONS OF HIGH BIODIVERSITY AREAS</b>	No. of Operation	NONE	NONE
<b>G4-EN14</b>	<b>NUMBER OF IUCN RED SPECIES AND NATIONAL CONVERSATION LIST SPECIES WITH HABITATS IN AREAS BY OPERATIONS, BY LEVEL OF EXTINCTION RISK</b>	No. of Operation	NONE	NONE
<b>OVERALL</b>				
<b>G4-EN31</b>	<b>ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENT BY TYPE</b>			
	Water Disposal	Baht	N/A	450,000
	Emission Treatment	Baht	N/A	N/A
	Heat Reduction	Baht	N/A	2,200,000
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>				
<b>G4-EN32</b>	<b>THE PERCENTAGE OF NEW SUPPLIERS SCREENED BY USING ENVIRNMANETAL CRITERIA</b>	%	N/A	N/A
<b>G4-EN33</b>	<b>NO. OF SUPPLIERS SUBJECTED TO ENVIRONMENTAL ASSESSMENT</b>	Supliers	N/A	N/A
<b>ENVIRONMENTAL GRIEVANCE MECHANISMS</b>				
<b>G4-EN34</b>	<b>NO. OF ENVIRONMENTAL GRIEVANCE</b>	Cases	NONE	1

Note: N/A means no collected data

## GRI Index

Indicator	Report	Topic
<b>GENERAL STANDARD DISCLOSURES</b>		
<b>STRATEGY AND ANALYSIS</b>		
G4-1	AR	- Mission
		- Report from Chairman
		- AC Report
		- CGSR Report
		- RMC Report
		- Milestones in the Past 3 Years
		- Revenue Structure and Product Features
G4-2	AR	- Risk Factors
		- MD&A
<b>ORGANIZATIONAL PROFILE</b>		
G4-3	AR	- About IRC
		- General Information of the Company
G4-4	AR	- Revenue Structure and Product Features
G4-5	AR	- About IRC
		- General Information of the Company
G4-6	AR	- About IRC
		- General Information of the Company
		- Shareholding Structure
		- Revenue Structure and Product Features
		- General Information of the Company
		- Corporate Governance
		- Financial Highlight
		- Corporate Governance
		- Social Performance
		- Performance Data
		- Corporate Governance
		- Social Performance
		- Performance Data
		- Economic Performance
		- Performance Data
		- Milestones in the Past 3 Years
		- Risk Factors
		- Economic Performance
		- Environmental Performance
		- Stakeholder Engagement





**IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES**

G4-17	AR	- General Information of the Company
G4-18	SR	- About this report
G4-19	SR	- About this report
G4-20	SR	- About this report
G4-21	SR	- About this report
G4-22	SR	- About this report
		- Performance Data
G4-23	AR	- Milestones in the Past 3 Years

**STAKEHOLDER ENGAGEMENT**

G4-24	SR	- Stakeholder Engagement
G4-25	SR	- About this report
		- Stakeholder Engagement
G4-26	SR	- Stakeholder Engagement
G4-27	SR	- Stakeholder Engagement

**REPORT PROFILE**

G4-28	SR	- About this report
G4-29	SR	- About this report
G4-30	SR	- About this report
G4-31	SR	- About this report
G4-32	SR	- GRI Content Index
G4-33	SR	- About this report

**GOVERNANCE**

G4-34	AR	- Corporate Governance
G4-35	AR	- Corporate Governance
G4-36	AR	- Corporate Governance
G4-37	SR	- Stakeholder Engagement
G4-38	AR	- Corporate Governance
G4-39	AR	- Corporate Governance
G4-40	AR	- Corporate Governance
G4-41	AR	- Related Party Transaction
		- Shareholding Structure
		- Report from Chairman
G4-42	AR	- Corporate Governance
G4-43	AR	- Corporate Governance
G4-44	SR	- IRC Pride
G4-45	SR	- About this report
G4-46	AR	- Corporate Governance
G4-47	AR	- Corporate Governance
G4-48	AR	- Corporate Governance
G4-49	AR,	- Corporate Governance
	SR	- Way towards Sustainability
G4-50	AR,	- Corporate Governance
	SR	- Way towards Sustainability
G4-51	AR	- Corporate Governance
G4-52	AR	- Corporate Governance
G4-53	AR	- Corporate Governance
G4-54	AR	- Corporate Governance
G4-55	AR	- Corporate Governance

**ETHICS AND INTEGRITY**

G4-56	AR,	- Corporate Governance
	SR	- Social Performance
		- Performance Data
G4-57	AR,	- Corporate Governance
	SR	- Social Performance
		- Performance Data
G4-58	AR	- Corporate Governance

**SPECIFIC STANDARD DISCLOSURE**

**Economic**

**Aspect: Economic Performance**

G4-EC1	AR	- Financial Highlight
		- Auditor's report & Financial Statement
G4-EC2	SR	- Environmental Performance
G4-EC3	SR	- Social Performance
G4-EC4	AR	- Financial Statement <Note 28>

**Aspect: Market Presence**

G4-EC5	SR	- Social Performance
		- Performance Data
G4-EC6	Not	
	Applicable	

**Aspect: Indirect Economic Impacts**

G4-EC7	SR	- Economic Performance
G4-EC8	SR	- Economic Performance
		- Social Performance
		- Performance Data

**Aspect: Procurement Practices**

G4-EC9	SR	- Economic Performance
		- Performance Data

**Environment**

**Aspect: Materials**

G4-EN1	SR	- Economic Performance
		- Performance Data

G4-EN2	Not	
	Applicable	

**Aspect: Energy**

G4-EN3	SR	- Performance Data
G4-EN4	Not	

Applicable

G4-EN5	SR	- Performance Data
G4-EN6	SR	- Environmental Performance

		- Performance Data
		- Performance Data

**Aspect: Water**

G4-EN7	SR	- Performance Data
G4-EN8	SR	- Environmental Performance

		- Performance Data
		- Environmental Performance

G4-EN9	SR	- Performance Data
		- Environmental Performance

		- Performance Data
G4-EN10	SR	- Performance Data

**Aspect: Biodiversity**

G4-EN11	AR,	- About IRC
	SR	- General information of the Company
G4-EN12	SR	- Environmental Performance

		- Performance Data
G4-EN13	SR	- Environmental Performance

		- Performance Data
G4-EN14	AR,	- About IRC

	SR	- General information of the Company
--	----	--------------------------------------

**Aspect: Emissions**

G4-EN15	SR	- Environmental Performance
		- Performance Data

G4-EN16	SR	- Environmental Performance
		- Performance Data

G4-EN17	SR	- Environmental Performance
		- Performance Data

G4-EN18	SR	- Environmental Performance
		- Performance Data

G4-EN19	SR	- Environmental Performance
		- Performance Data

G4-EN20	Not	
	Applicable	

G4-EN21	Not	
	Applicable	

**Aspects: Effluents and Waste**

G4-EN22	SR	- Environmental Performance
		- Performance Data

G4-EN23	SR	- Environmental Performance
		- Performance Data

G4-EN24	SR	- Environmental Performance
		- Performance Data

G4-EN25	Not	
	Applicable	

G4-EN26	SR	- Environmental Performance
		- Performance Data

**Aspects: Products and Services**

G4-EN27	SR	- Environmental Performance
		- Performance Data

G4-EN28	SR	- Performance Data
		- Performance Data

**Aspect: Compliance**

G4-EN29	SR	- Performance Data
		- Performance Data

**Aspect: Overall**

G4-EN30	SR	- Performance Data
G4-EN31	SR	- Performance Data



#### Aspect: Supplier Environmental Assessment

G4-EN32	Not Applicable	
G4-EN33	SR	- Economic Performance - Environmental Performance - Performance Data

#### Aspect: Environmental Grievance Mechanisms

G4-EN34	SR	- Performance Data
---------	----	--------------------

#### Social

### SUB-CATEGORY: LABOR PRACTISES AND DECENT WORK

#### Aspect: Employment

G4-LA1	SR	- Social Performance - Performance Data
G4-LA2	SR	- Social Performance - Performance Data
G4-LA3	SR	- Social Performance - Performance Data

#### Aspect: Labor/Management Relations

G4-LA4	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

#### Aspect: Occupational Health and Safety

G4-LA5	SR	- Social Performance - Performance Data
G4-LA6	SR	- Social Performance - Performance Data
G4-LA7	Not Applicable	
G4-LA8	SR	- Social Performance - Performance Data

#### Aspect: Training and Education

G4-LA9	SR	- Social Performance - Performance Data
G4-LA10	SR	- Social Performance - Performance Data
G4-LA11	SR	- Social Performance - Performance Data

#### Aspect: Diversity and Equal Opportunity

G4-LA12	SR	- Social Performance - Performance Data
---------	----	--------------------------------------------

#### Aspect: Equal Remuneration for Women and Men

G4-LA13	SR	- Social Performance - Performance Data
---------	----	--------------------------------------------

#### Aspect: Supplier Assessment for Labor Practices

G4-LA14	SR	- Social Performance - Performance Data
G4-LA15	SR	- Social Performance - Performance Data

#### Aspect: Labor Practices Grievance Mechanisms

G4-LA16	SR	- Social Performance - Performance Data
---------	----	--------------------------------------------

### SUB-CATEGORY: HUMAN RIGHTS

#### Aspect:

##### Investment

G4-HR1	SR	- Social Performance - Performance Data
G4-HR2	SR	- Social Performance - Performance Data

##### Aspect: Non-discrimination

G4-HR3	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

##### Aspect: Freedom of Association and Collective Bargaining

G4-HR4	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

#### Aspect:

##### Child Labor

G4-HR5	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

##### Aspect: Forced or Compulsory Labor

G4-HR6	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

##### Aspect: Security Practices

G4-HR7	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

#### Aspect: Indigenous Rights

G4-HR8	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

#### Aspect: Assessment

G4-HR9	SR	- Social Performance - Performance Data
--------	----	--------------------------------------------

#### Aspect: Supplier Human Rights Assessment

G4-HR10	SR	- Social Performance - Performance Data
G4-HR11	SR	- Social Performance - Performance Data

#### Aspect: Human Rights Grievance Mechanisms

G4-HR12	SR	- Social Performance - Performance Data
---------	----	--------------------------------------------

### SUB-CATEGORY: SOCIETY

#### Aspect: Local Communities

G4-SO1	SR	- Social Performance - Performance Data
G4-SO2	SR	- Social Performance - Performance Data

#### Aspect: Anti-corruption

G4-SO3	AR, SR	- Corporate governance - Way towards Sustainability - Social Performance - Performance Data
G4-SO4	AR, SR	- Corporate governance - Way towards Sustainability - Social Performance - Performance Data
G4-SO5	AR, SR	- Corporate governance - Way towards Sustainability - Social Performance - Performance Data

#### Aspect: Public Policy

G4-SO6	SR	- Performance Data
--------	----	--------------------

#### Aspect: Anti-competitive Behavior

G4-SO7	AR, SR	- Corporate governance - Performance Data
--------	--------	----------------------------------------------

#### Aspect: Compliance

G4-SO8	SR	- Performance Data
--------	----	--------------------

#### Aspect: Supplier Assessment for Impacts on Society

G4-SO9	SR	- Performance Data
G4-SO10	SR	- Performance Data

#### Aspect: Grievance Mechanisms for Impacts on Society

G4-SO11	SR	- Performance Data
---------	----	--------------------

### SUB-CATEGORY: PRODUCT RESPONSIBILITY

#### Aspect: Customer Health and Safety

G4-PR1	SR	- Environmental Performance - Performance Data
G4-PR2	SR	- Environmental Performance - Performance Data

#### Aspect: Product and Service Labeling

G4-PR3	SR	- Environmental Performance - Performance Data
G4-PR4	SR	- Performance Data
G4-PR5	SR	- Social Performance - Performance Data

#### Aspect: Marketing Communications

G4-PR6	SR	- Environmental Performance - Performance Data
G4-PR7	SR	- Environmental Performance - Performance Data

#### Aspect: Customer Privacy

G4-PR8	SR	- Performance Data
--------	----	--------------------

#### Aspect: Compliance

G4-PR9	SR	- Performance Data
--------	----	--------------------

Note: AR means Annual Report and SR means Sustainability Report