



Annual Report 2020

Stronger Regional Footprint

**Solidly Positioned for
Consolidated Growth**

3

Sustainable Development

Environmental. Social. Governance.

Sustainable Development

Our Contribution to the UN's Sustainable Development Goals



Throughout its business operation, Siam City Cement Public Company Limited has always determined to operate the business on the basis of good corporate governance and with the responsibility towards the community, society, and environment in accordance with the sustainable development principles to create shared value that fulfills the expectations of all stakeholders which the Company believes is the foundation for growth and the Company's sustainable progress well into the future.

The Company's Sustainable Development Policy

The policy was established to promote the sustainable development of the business on the basis of creating value for all stakeholders and good corporate image as well as to manage business risks with the aim to maintain the balance in creating economic, environmental and societal values to fulfill the expectations of stakeholders. The operation on the sustainable development policy is the duty and responsibility of the Board of Directors, executives, officers, and the Company's employees at all levels.



The SCCC Group's sustainable development policy is aimed at the development in three aspects, namely:

Economic Value

- a) Good Corporate Governance shall be the foundation of the SCCC Group's culture
- b) Any form of corruption shall be denied and rejected to protect the SCCC Group's reputation, image and trust including its rights to operate
- c) SCCC Group shall continue to grow its business in a sustainable manner
- d) Value shall be created for all of the SCCC Group's stakeholders

Environmental Value

- a) Preserve and use of natural resources recognizing their values
- b) Use energy efficiently and promote the use of alternate energy sources
- c) Prevent, control and reduce impacts derived from the SCCC Group's operations to the environment
- d) Promote biodiversity and support forest habitation



Social Value

- a) Care and attention shall be paid to our employees. The SCCC Group shall operate with appropriate protection measures for injuries, damages or loss of lives from work
- b) Support to employees for their well-being, development and career advancement
- c) Care and support to the sustainable communities and society development which the SCCC Group operates
- d) Products and services shall be developed to add value and respond to the need of the customers and society

Stakeholders and Ways to Foster Lasting Relationship

The SCCC Group strongly believes that the good support from all key stakeholders is a cornerstone of the operations. Therefore, the Company created communication channels as a tool for exchanging the ideas and experiences to get those valued information, opinions and engagements. This would lead to major benefits as follows:

- Serves as a solid foundation for a strong business operation
- Allows the business to set effective policies and appropriate work plans

- Uses the suggestions and recommendations of stakeholders to support new innovations and solve certain problems
- Promotes good image for the business and supports our license to operate

The SCCC Group has identified all major stakeholders and analyzed their expectations as well as communicated and built relationship to access the stakeholders' opinions and to take that information to apply to strategic planning and business activities regularly.

In summary, the SCCC Group has set the following goals and processes to build the relationship with respective stakeholders:

| Stakeholders | Ways to foster lasting relationships |
|---|--|
| <p>Customers</p> <p>Respond to every need to be a part of the customers' success.</p> | <ul style="list-style-type: none"> ■ Constantly survey customers' opinions ■ Arrange regular small meetings and customers' visits ■ Develop communication channels, promotes on-line transactions for increased speed, convenience and effectiveness ■ Develop more value-added products |
| <p>Employees</p> <p>Take care of the employees' safety and work environment, promote good livelihood and create opportunities for development and advancement in the work place.</p> | <ul style="list-style-type: none"> ■ Develop leadership capabilities in supervisors to be more attentive to subordinates ■ Promote engagement and two-way communications within the organization ■ Develop environment and safety culture in the workplace ■ Regularly surveys employees' opinions |

| Stakeholders | Ways to foster lasting relationships |
|---|---|
| <p>Communities</p> <p>Implement CSR-in-process to prevent or minimize operational impact on the communities, including creating projects to continuously support the communities' sustainable development the so-called CSR-after-process.</p> | <ul style="list-style-type: none"> ■ Regularly carry out surveys of the communities' opinions ■ Develop communication channels, both official and unofficial ■ Arrange factory visits for community leaders and the public ■ Promote the community's engagement and joint management in some important projects ■ Create the Fund for community development and environment, as well as the advisory panel in relations to community relations |
| <p>Goods & Service Suppliers</p> <p>Promotes good cooperation and mutual support to create business opportunities and mutual growth.</p> | <ul style="list-style-type: none"> ■ Announce and implement the Suppliers Code of Conduct ■ Announce and implement the Sustainable Procurement Policy and Guidelines ■ Arrange meetings to promote good communications and training programs on various topics |
| <p>Shareholders</p> <p>Carry out business operations with good corporate governance while building sustainable progress for the organization.</p> | <ul style="list-style-type: none"> ■ Organize the Annual Shareholders Meeting ■ Regularly communicate and arrange field visits, and participations in CSR and environmental projects |
| <p>Government Agencies & Independent Organizations</p> <p>Strictly adhere to the laws and provide good cooperation with the government sector and seek out opportunities for joint activities and projects which are beneficial to the society and nation.</p> | <ul style="list-style-type: none"> ■ Study legal implications and controls all aspects of the business to ensure legal compliance ■ Participate in meetings, seminars and forums with government agencies, as well as support official exhibitions and seminars ■ Support and participate in projects for society and nation as organized by the government sector and organizations such as the Chai Pattana Foundation |
| <p>Media</p> <p>To promote good understanding of the Company's operations among the media, including policies and major projects so that the media would be able to communicate them more accurately and properly to our stakeholders and the general public.</p> | <ul style="list-style-type: none"> ■ Regularly support the media with information, operational facts and figures, and progress of major projects ■ Regularly arrange opportunities for the media to meet the senior management, visit factory and participate in social and environmental responsibility activities |

Customer Relationship Management

The Company is determined in the continual development of customer relationship in line with the Company's vision; to exceed customer expectations in the production of quality products as well as exceptional customer service. Our main activities to strengthen customer relationship are:

Conducting Customer Satisfaction Index (CSI) Survey

SCCC conducts Customer Satisfaction Index (CSI) survey as well as a secondary tool called Net Promotor Score (NPS). While CSI is aimed to measure the level of customer satisfaction, NPS measures the likelihood of the customer willingness to promote INSEE products and services. CSI, NPS, and customer feedback combined allows for the Company to formulate action plans for continuous improvement. These action plans are driven by the Customer Experience Organization Team comprising of individuals from all facets of the business and all countries of operations with the aim to exchange best practices and achieve utmost customer satisfaction.

Visiting SCCC's Business Partner by Top Management

Apart from ordinary visit from Marketing management to present valued business partners with compensatory token of appreciation from continuous support SCCC, SCCC's top management from every business unit have all in turn visited our business partners as well to foster relationships, understand their needs, and consequently address and resolve problems swiftly.

Sharing Care and Supports to Customer During COVID-19 Pandemic

Under the duress of COVID-19 pandemic, several initiatives were put in place to help customers: Hygiene masks were distributed nationwide via 167 outlets. Social distancing campaign (translated) "Just a little distance, conquer COVID" was launched on various digital and social media channels in form of content in providing knowledge of basic preventive measures and living in the "new normal" such as how to correctly wear and dispose hygiene masks, social distancing, tips and tricks under lockdown. As physical customer visits were not possible during lockdown, the Company utilized various digital tools to stay connected and in support of its customers such as virtual visits and online meetings. Once the lock down was over, the Sales team will resume their physical customer visits while strictly wearing hygiene mask at all times are remained.



Conducting Business with Good Governance

The Company strictly adheres to the good governance principles in its business conduct by paying full attention to the responsibility towards the society and the environment, as well as to do our best to fulfill the needs of our stakeholders. In the past year, the Company's good governance activities are as follows:

"Excellent" Recognition on Corporate Governance Report of the Thai Listed Companies for the 5th Year

In 2020, the Company was recognized by the Thai Institute of Directors (IOD) in its Corporate Governance Report of the Thai Listed Companies with the highest level "Excellent" consecutively for the 5th year.

Certified Member of Private Sector Collective Action Coalition Against Corruption

The Company was recertified member of the Private Sector Collective Action Coalition Against Corruption (CAC) for a period of three years, from 30 June 2020 to 30 June 2023.

The Company continued to reinforce and remind all the employees through communications and trainings on the Company's policy on anti-bribery and corruption with stringent practice in doing business and dealing with all stakeholders with transparency and according to the laws.

Code of Business Conduct and Other Related Policies

Besides the Corporate Governance Policy, the Board of Directors has approved the review of the Code of Business Conduct to ensure that all the Directors, the Management, and the employees of the Group perform their duties with integrity and honesty in order to maintain the reputation and the confidence of the organization as defined in the Company's Corporate Governance Policy.

Apart from the said Corporate Governance Policy and the Code of Business Conduct, the Board of Directors has approved the related policies in order to provide clear framework which lead to the development of the organizational culture that support the good corporate governance.

In order to support our commitment of serving customers and working with our partners with the highest standard of transparency and integrity, the Company has set a "No-Gift Policy" in place. Our employees and Management are strongly suggested to decline the receiving of gifts, souvenirs or any other benefits. In case of receiving the gifts, the employees must report through the receiving disclosure channel for their transparency.

INSEE Speak Up on a Regional Scale

The SCCC Group continued to manage its complaint from employees, vendors and customers and whistle-blowing process called "INSEE Speak Up" in all countries. The channel is provided by an independent outsourced firm. A Screening Committee, independent from the management, has been established to screen the cases, analyze and investigate each complaint. Appropriate actions were taken to improve the SCCC Group's systems, governance and culture.

Compliance

During 2020, the SCCC Group has defined the role, responsibility, and accountability of compliance matter to further strengthen the compliance environment in Thailand and overseas subsidiaries. In addition, the SCCC Group has made a quarterly report on the monitoring of compliance with various laws including the results of the disclosure information on conflict of interest of the management and employees; and the related party transactions to the Audit Committee.

The compliance training program for the management was also continuously established to develop employees' operational knowledge in accordance with the guidelines, policies in order for the management to effectively perform their responsible duties by avoiding the risk of violating the laws. Besides, the SCCC Group has developed communications and learning tool through electronic channels for easy access by the employees.



Thailand Sustainability Investment (THSI) 2020

The Company's business operation is based on the foundation of good corporate governance with the adherence to the sustainable development principle by taking into consideration the fine balance between environment and society, and the growth of the business plus value creation for stakeholders. This has led Siam City Cement Public Company Limited to be chosen by the Stock Exchange of Thailand (SET) to be listed in the Thailand Sustainability Investment (THSI) 2020 for the second consecutive year.

The SET has assessed and measured the results of the Company's operation on sustainable development covering the environmental, societal and economic dimensions as well as good corporate governance (Environment, Social,

Governance: ESG). The assessment process began with policy formulation to goal-setting and to the implementation of the policy with the aim to build a sustainable investment ecosystem.

In addition, the Company was assessed on ESG and was selected to be listed in the ESG 100 for the year 2020 by Thaipat Institute.

Social Responsibility

The SCCC Group has developed the social responsibility policy as a guideline in carrying out the work in this area in seven important aspects:

1. Strict adherence to corporate governance for transparency, respect for human rights, and equal and fair treatment to all stakeholders, namely, employees, shareholders, customers, business partners and the community
2. Care for the employees and respect for equal rights for human in accordance with the international norms on human rights and all related labor laws
3. Pay close attention to building good relationship with customers and suppliers – listening to their recommendations in order to be able to completely fulfill their needs and create good and sustainable relationship with suppliers to build shared value
4. Be mindful of the environment and sustainable development – promoting and giving importance to the protection of the environment, reduce the impact on the environment and the community by strictly adhering to the highest standard in environmental management
5. Be attentive to the community and social development by supporting the sustainable development of the communities in all locations that we operate, as well as the society in general
6. Support controlling and reporting to follow up and report on various activities that are relevant to the operation including those involving the society to allow the general public to be aware of various channels where stakeholders may share suggestions and recommendations to be considered for sustainable development
7. Anti-bribery and corruption – Businesses are conducted in a transparent and ethical fashion as well as to strictly follow all rules and regulations

Protection of Human Rights

Guided by the United Nations Guiding Principles (UNGP) on Human Rights, SCCC Group believes that our business can thrive only when the human rights are respected, advanced and upheld. And that all relevant stakeholders uphold and comply to the same principles.

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1. Protection of Employee Rights

Our employee rights and their working conditions comply with labor standards of both domestic and international laws where we operate. This includes embedding in our work culture the respect of rights inherent to all human beings, regardless of physical or mental status, race, nationality, country of origin, ethnicity, religion, gender, language, age, skin color, education, social status, culture, tradition or any other status as specified by laws of each country.

1.1 Recruitment and Screening

SCCC Group provides the opportunities to all applicants regardless of gender, sexual orientation, disability, education, race, age or religion, with fair and transparent recruitment and screening processes

1.2 Learning and Development

Throughout their employment, all employees is provided with equal learning opportunities for self-development and is encouraged to have always-on conversation with their supervisor about their development journey

1.3 Fair Compensation

The SCCC Group ensures the pay is attractive to key talents in the market and employees are paid fairly and competitively

1.4 Performance Assessment

The SCCC Group is committed to driving employees to engage in a performance-driven culture where fair and transparent evaluation process are followed strictly

1.5 Termination and Separation

The SCCC Group ensures fair and transparent employee termination/separation, with appropriate consideration of organizational needs, transparent process, and legal compliance, in line with the fair treatment and consistency of procedures.

1.6 Culture of Diversity and Inclusion

The Company continuously promotes an inclusive work culture by including transparency, professional manner, and equal opportunities in every activity we do, as well as provides the suitable communication channels in order to cascade the Management's direction, and to continuously receive valuable feedbacks from employees.

2. Compliance and Consequence Management

The Board of Directors, the Management team and all employees, as well as any individual or entity who represents or performs work on behalf of any entity under SCCC Group shall ensure full compliance to the same principles.

Any party who violates the human rights shall be considered disciplinary penalty as defined by the Company and may be subject to legal punishment if the act is against the law.



Occupational Health and Safety Management

At Siam City Cement Group, our overriding safety objective will always be "Zero Harm To Anyone" and we will always ensure that every employee and contractor in our business is treated as a valuable partner whose health and wellbeing is to be protected and cared for.

Through a pro-active safety leadership approach,

We will always ensure that every employee and contractor in our business is treated as a valuable partner whose health and wellbeing is to be protected and cared for.

we strive to prevent all injuries and illnesses by providing a safe workplace, safe systems of work, all necessary safety equipment, training in safe operating procedures and by enforcing strict safety rules.

All Executive Committee members in all countries, Area Owners, Managers and Supervisors are responsible for enforcing and maintaining the Occupational Health and safety standards, rules and regulations in the areas under their control.



Road and transport safety continues to be a major challenge across the South East Asia Region and together with our transport contractor partners we have introduced many initiatives and programs to better educate drivers and improve their skills and the safety standards of their vehicles.

The COVID-19 virus epidemic has presented enormous challenges for our businesses in the region as we have had to improvise and adapt to ensure that we have complied with all directives and medical advice without compromising our stringent internal OH&S procedures so as to ensure the health and welfare of all employees and visitors to our sites and offices. There have been no confirmed clusters of infection at any of our businesses.

Siam City Cement Group Provides Relief Efforts and Launch Measures to Battle COVID-19 Fallout

Following the global outbreak of COVID-19, the Siam City Cement Group has made significant contributions to medical personnel, communities, and governments in Thailand, Vietnam, Sri Lanka, Bangladesh, and Cambodia to address the fallout of the pandemic.

These contributions have come in the forms of cash donations, provisions of protective gowns, face masks, hand sanitizers, food relief packages, and cement supplies.

Details of the contributions for each of the Siam City Cement companies are as follows:

Siam City Cement (Lanka) Limited

- Provided 25 tons of cement and resources towards construction of the COVID-19 management centre in Iranawila, Puttalam, increasing the capacity of major hospitals to treat suspected COVID-19 patients
- Donated over 21,000 face masks and 1,000 face shields to support police officers and frontline healthcare personnel
- Provided more than 4,000 packs of dry rations and food supplies to employees, contractors, masons, and villagers who live close to the Siam City Cement Puttalam Plant

- Offered food supplies to over 140 daily wage-earning families in Galle through fundraising activities initiated by the employees of the Siam City Cement Ruhunu Plant

Siam City Cement Public Company Limited

- Donated THB 500,000 to the Bamrasnaradura Infectious Diseases Institute for the procurement of COVID-19-related medical equipment via our media partner, Channel 7 HD
- Provided face masks, disinfectant gels, personal protective equipment (PPE), suits, and food packages (rice and canned food) to villagers, healthcare centers, and local government organisations in the vicinity of Siam City Cement sites in the provinces of Saraburi, Suphanburi, Singburi, Ratchaburi, and Surat Thani
- Provided 100 tons of cement to the Ministry of Labour to support the vocational training in the field of construction for those affected by the pandemic in 16 provinces
- Supplied 1,000 face masks to teachers and pupils at schools run by the Border Police of Thailand

Siam City Cement (Vietnam) Limited

- Donated VND 250,000,000 to Kien Giang province in its counter COVID-19 efforts



- Provided over bottles of 800 hand sanitizer to Kien Luong authorities and the Kien Giang People's Committee
- Provided 4,000 face masks to Kien Luong authorities

Siam City Cement (Bangladesh) Limited

- Conducted community fumigation twice a week for more than 1,500 families living close to the Plant
- Distributed 1,500 sets of relief packages (rice and food) to workers' families and villagers near the Plant site
- Provided three meals a day for workers who camped in the Siam City Cement Plant due to the lockdown

Chip Mong INSEE Cement Corporation

- Supplied 5,000 face masks and 500 bottles of hand sanitizer to local villagers and authorities in the Touk Meas and Tani communities located near the Plant
- Provided rice to villagers in Pursat Province

Communication and Education

Apart from the aforementioned donations and initiatives, SCCC Group operating sites have promoted COVID-19-related knowledge and awareness among villagers and stakeholders via leaflets, posters, banners, VDO clips, and other media channels.

Corporate Social Responsibility Projects

SCCC Group gives importance to the support of sustainable development both at the national level and at the level of communities around production facilities in all areas and in all countries in which the Company operates. All production units of companies within the Siam City Cement Group must prepare community engagement plans on an annual basis that cover both CSR-in-process and CSR-after-process as well as promoting effective communication with the communities and allow the communities to have a role in the planning and operating community development activities supported by knowhow, expertise and resources of the SCCC Group as important tools in the support of the sustainable development of the communities and the society.



INSEE Green School Project

In order to support the sustainable development in education for the Thai society, Siam City Cement Public Company Limited has been cooperating with the Border Patrol Police Headquarters, Royal Thai Police, to build school buildings for children and youths in remote border areas of the country continuously for the past 11 years. In 2020, a completely new school was built under the name "Border Patrol Police - 50th Year INSEE School" in Amnat Charoen Province. This is considered to be the project's 32nd schools. Throughout the duration of this projects, more than 52,200 children in 20 provinces along the country's remote border areas have benefited from this project with the participation of public and private sectors including the Company's employees who regularly participate in the "INSEE Asa" camps to help build school.

Project to Support Basic Education Development

Siam City Cement Public Company Limited fully realizes the importance of education and has cooperated with educational agencies in local areas to design and plan projects to sustainably develop education models that suit the needs and the context of each school situated in the vicinity of the plants in Kaengkoey District, Saraburi Province. A total of 13 schools with more than 3,500 students have benefited from this project. For 2020, there is a variety of educational development projects to suit the different needs of each school, such as scholarship grants project, school building renovation project, procurement of school supplies project and recruitment of educational personnel project. The budget worth over THB 1 million was derived from the Fund to Develop Community Around Mine Area to develop the educational potential of youths within the communities.

INSEE Green Park (Suan Ming Mongkol)

INSEE Green Park is the public park that Siam City Cement Public Company Limiteds built as a tribute in celebration of His late Majesty King Bhumibol Adulyadej's 84th birthday anniversary. It is a public park aimed at providing more green space for the community whose members can use the park for leisure and sporting activities and as a place to study a variety of exotic plants. The community members can also use the space to sell community-produced items, while architectural students and those interested can access the park to study the environment-friendly design. The target group of the park consists of members of the communities around the INSEE Plants,

students from various educational institutions, travelers on the main highway for use as a rest area and to buy products made by community members.

INSEE Vietnam joins hands to bring a new school to over 700 pupils from poor families

INSEE Vietnam cooperated with the People's Committee of Kien Luong District to organize the ground-breaking ceremony of Kien Binh 2 School in Kien Binh Commune, Kien Luong District, Kien Giang Province. This project is particularly meaningful to the community to help more than 700 pupils from poor families, rural and ethnic minorities to have the opportunity to go to school.

INSEE Vietnam as a sponsor is accompanied by the Kien Luong People's Committee, Quality Assurance and Testing Center 3 (QUATEST 3), BASF Vietnam, and the design consultancy of GREENVIET - Green Building Consultancy, and Vietnam Green Building Council (VGBC). This construction project, which is designed according to the green building criteria, fully uses INSEE cement and was awarded the LOTUS Green Building Certificate at Gold level by the VGBC. The project is expected to be completed by the end of 2021, providing a teaching and learning environment with modern facilities for local teachers and pupils.

Community Wellness Initiatives by INSEE Lanka

The annual medical health camp was held to support the community within a radius of 6 KM from the Plant to uplift their health condition. Around 575 community members obtained the services from 10 consultants including free spectacles and medicine. This was a partnership project held with the Lions Club Int.

Road Safety Education by INSEE Lanka

Traffic Wardens Programme in the Galle District , as a Partnership Project with the Sri Lanka Police Department, Galle, a Programme was held for 500 school students where they were certified as trained traffic Wardens. Approximately 2,000 members were benefited directly.

Enterprise-based Vocational Education Program (EVE) by Chip Mong INSEE Cement Corporation

Since 2017 even before the cement plant was officially open, CMIC has been selecting 12 high school graduates from nearby communities who cannot afford tertiary education and providing them with scholarships to train them as qualified technicians through its Enterprise-based Vocational Education program, that has been adopted from a Swiss curriculum and developed in partnership with the National Polytechnic Institute of Cambodia. Over three years, these students experience both in-class and hands-on practice at the Plant. Upon completion, they

receive a legitimate diploma that also allows them to secure a bachelor degree when they continue for one more year at a relevant college. So far at least one batch has successfully completed the course and 10 of the 12 graduates chose to work for the company and the rest 2 graduates chose to pursue a bachelor degree.



Environmental Care

Environmental Management System

Sustainable business operation is one the major commitments that Siam City Cement Public Company Limited has given to the society and all stakeholders. Therefore, maintaining the balance between production operation and managing and caring for the environment is our important mission statement. Toward that end of creating confidence in our management of the environment, the Company has adopted the ISO14001 Environmental Management Standard as the organization's guideline in the management of the environment.

The Company has been certified ISO14001 continuously for more than 20 years, with the scope of the current standard ISO14001:2015 version covering all major processes of the organization, namely, mining, cement production, receiving and dispensing of cement all the way to inventory management.

Measures to Control and Reduce Impact on the Environment

Climate Change Protection

The Company is fully aware of the climate change problem and therefore is fully committed to reduce carbon dioxide gas emission into the atmosphere and to manage the crucial factors in the bid to reduce carbon dioxide emission, such as, the determination to use more alternative raw materials and fuels, by using discarded materials and industrial waste as alternative raw materials

and fuels; the determination to increase the efficiency in energy consumption, as well as to develop products that are more friendly to the environment by reducing the clinker factor in the cement products while improving the workability characteristics.

Atmospheric Emission Reduction

The Company pays close attention to pollution control in every step of the production process, especially in the production of clinker where we have installed the static electricity dust control system to collect dust and have followed up with the continuous pollution emission monitor system. These include dust particles, sulfur dioxide gas, and nitrogen oxide gas. The control and monitoring system operates 24 hours a day by keeping the dust particles emission below 50 milligrams per cubic meter, and the control of the concentration of sulfur dioxide gas emission to below 30 parts per million (PPM), which are the parameters stipulated by law. This is to ensure that every ton of clinkers that we produce has gone through the best practice in the vigilance and monitoring of pollution emission.

Utilization of Alternative Raw Materials and Fuels

The Company has the policy to try to utilize alternative raw materials and fuels, such as industrial waste, for use in place of the traditional fuels and raw materials in the cement production process. This is done by using alternative fuels for co-processing in cement kilns. This process helps to reduce the amount of carbon dioxide emission that is the root cause of global warming and air pollution.

Water Management

The Company places great importance on the conservation of water resources through the determination to operate the business with the society sustainably in the co-use of water resources with the community for the utmost benefit by resolving to develop the water management system and increase the water usage efficiency per unit of cement production through the 3Rs (Reduce, Reuse, Recycle) concept, followed by the risk management in the case of water resource scarcity. Meanwhile, the Company has evaluated the direct and indirect usage of water throughout the product water footprint (PWF) to systematically analyze the steps with significant water usage and to find ways to further reduce the water used in the production processes in every way possible, especially the use of surface ware and to create awareness among the employees within the organization to help support the water conservation movement through productive use.

Waste Management

The Company is determined to adhere to the waste management policy to create the highest value from the available resources as well as to reduce the amount of waste as much as possible through the 3Rs concept which are Reduce, Reuse and Recycle. We can leverage the waste arising from the cement production process by processing into alternative fuels reused in cement kilns, which is the adherence to the principle of "Zero Waste to Landfill". The Company is fully aware that the problem of waste management is

an issue that everyone in the Company has to buy in. Therefore, we have promoted the participation of the employees as well as to educate them in the process of waste management – from collection, to separation and to recycle, through major projects, such as, the "Green Heart Bank" in Thailand.



Biodiversity Management

The rehabilitation of the forest following the mining activities through the rejuvenation of the ecosystem and increase the biodiversity for both flora and fauna, returning them to the condition closest to pre-mining days. This is another crucial mission of the Company that has been carried out sustainably and continuously upgraded. Among the more important activities are planting trees in depleted mine area (rehabilitation), the creation of the nursery for seedlings and saplings

of indigenous plants and later transplanting them in rehabilitation plots. Also important is the commissioning of outside experts to study and analyze the biodiversity in the area and consult in the drafting of the Biodiversity Management Plan, as well as to promote understanding and acceptance of the community by arranging open-house activities for community members to visit. A project has also been created to give saplings for the youth in the community to look after, thus bringing them closer to nature.

Development of Sustainability Management Towards International Standard

The SCCC Group intends to develop operational standards for sustainability practices covering the environmental, societal and governance management (ESG) continuously according to international standards. The SCCC Group became a member of WBCSD-CSI (World Business Council For Sustainable Development - Cement Sustainability Initiative) since 2015. And when CSI ceased operations in 2018, we became a member of the new "Global Cement and Concrete Association" (GCCA) with its main objective of promoting the development of best practices, and various innovations in sustainability management in the cement and concrete industries, such as reduction of carbon dioxide emission, water

resource management, promotion of biodiversity, safety and occupational health and etc. Also significant is to encourage stakeholders to realize that concrete is a crucial construction material with properties that can support sustainable construction practices.



In addition, the SCCC Group has signed a Memorandum of Understanding (MOU) with the International Union for Conservation of Nature (IUCN), on the cooperation to plan and set out operational process to promote biodiversity in the limestone mountains within the Company's quarrying areas located in Thailand, Vietnam, Sri Lanka and Cambodia.

For detailed information and SD data regarding Economic Performance Index, Social Performance Index and Environmental Performance Index, please directly access to the Company's website at www.siamcitycement.com

Environmental, Social, and Governance

As part of the Company's Sustainable Development efforts, the Board of Directors has requested the Group Executive Committee to develop a Group ESG framework which is to be finalized during 2021.

Key cornerstones of the framework will include the following:

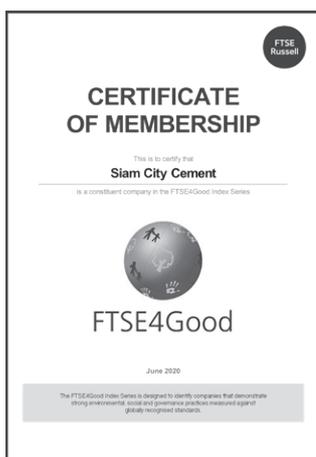
- We continue to lower our CO₂ footprints and are developing updated targets for sustainable water and biodiversity management



- We continue to prioritize health and safety protection for our employees and also our focused CSR efforts in the communities around our facilities



- We maintain top management focus on our governance approaches and are recognized for our ESG efforts by the likes of the Stock Exchange of Thailand and Thaipat Institute, and with FTSE4Good



We continue to lower our CO₂ footprints and are developing updated targets for sustainable water and biodiversity management.



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Company Limited

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