



# Thailand as a Model for ESG Performance

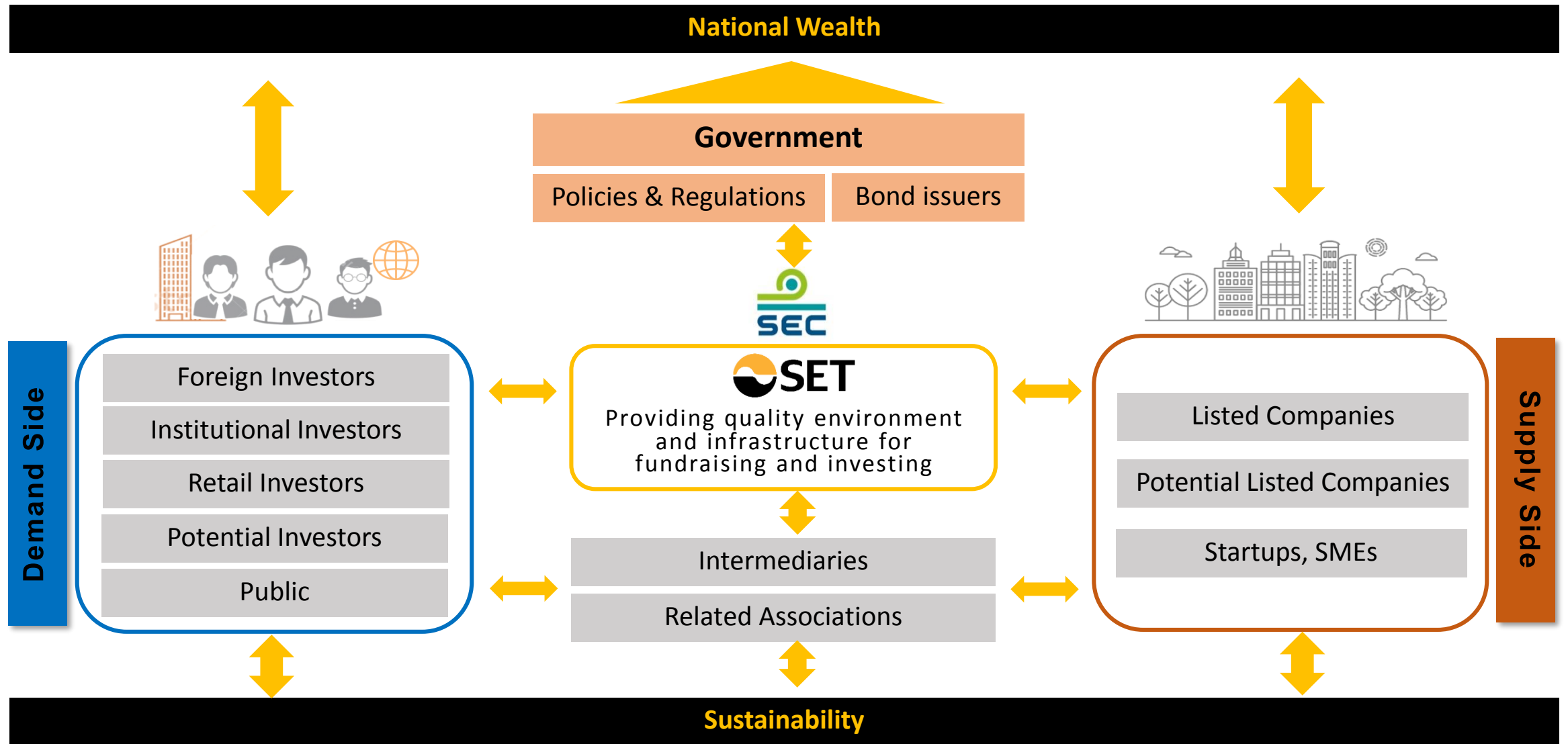
## Corporate Sustainable Development @SET

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# Capital Market Ecosystem



# SET's Corporate Sustainable Development Model



## Corporate Development Framework

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### Body1: CG Development System

1. Setup corporate governance structure and system
2. Implement the governance system into business operations
3. Enclose information of CG performance
4. Establish clear leadership role and responsibilities of the board

### Body2: ESG Integration in Business

5. Responsibility to stakeholders
6. Responsibility to environment
7. Responsibility to social
8. Innovation for sustainable development
9. System and process of corporate sustainable development
10. ESG information disclosure



Photo Source: SlideModel.com



Photo Source: Forestry Corporation Sustainability Framework (<https://www.forestrycorporation.com.au/our-forests/sustainability-framework>)

## Corporate Development Steps

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# Sustainability Journey of the Thai Capital Market



1993-1996

Regulation development

**1993**

- Required listed companies to appoint independent directors to achieve effective check & balance system and protect minor shareholders' rights

**1995**

- Required listed firms to appoint audit committees to enhance effective internal control and risk management systems

**1996**

- Laid out the CG knowledge foundation for listed companies

1997-2006

Set up infrastructure & networks among relevant bodies

**1999**

- Founded IOD by SET, SEC, BOT, and World Bank



**2001**

- Started CG Report Assessment



**2002**

- Established CG Center to develop and promote CG among listed firms
- Issued CG Principles Version 1
- Developed Shareholder activism via TIA



**2004**

- Launched CG Awards, IR Award to highlight role models' outstanding performance

**2006**

- Issued CG Principles Version 2 in line with OECD principles and promoted CSR in practices
- Started CSR Awards

2007-2012

Promote awareness of CG & CSR in practices

**2007**

- Established Corporate Social Responsibility Institute (CSRI) to promote CSR practices among listed firms (became SR Center in 2014)



**2008**

- Issued CSR Principles



**2009-2011**

- Launched CG Advisory Program & IR Advisory Program

**2012**

- Issued CSR and Reporting Guidelines
- Issued CG Principles Version 3
- Issued IR Handbook
- Encouraged ASEAN CG Scorecard assessment & got the highest score among ASEAN for the first year



2013-Present

Drive CG and CSR practices toward sustainability

**2013**

- Issued ESG in Practice Guidelines for each business industry
- Encouraged listed firms to join the DJSI sustainability assessment



**2014**

- Joined UN SSE as the first exchange in ASEAN



**2015**

- Presented Sustainability Awards
- Developed Thailand Sustainability Investment (THSI), ESG Stock List



**2017**

- Launched SET Social Impact Platform



**2018**

- Issued THSI Health Check
- Launched SETTHSI Index

## Social Showcases



### PDJ: Jewelry Manufacturer

#### Hires people with hearing loss

- Hire people with hearing loss
- Trains them to become jewelry craftsmen expert
- Provide scholarship for them to study after work



### TU: Processed Seafood Manufacturer

#### Sea Change Project: Improve labor work quality

- Work closely with suppliers to ensure responsible sourcing and fair labor practices in compliance with legal regulations and international standards
- Advise supplier on how manage worker's health and safety

## Environmental Showcases



### **PTTGC: petrochemical**

#### **Upcycling the Ocean**

- Develop innovation to turn plastic waste in the ocean into fiber, used for clothing, bags and shoes.
- This helps fight with Thailand's plastic waste crisis and add economic value



### **EASTWATER: Raw water supplier**

#### **Clean Water for Community**

- Apply its water management skills to conserve water and help local communities access to clean water

# Corporate Sustainability Goals



Continued growth and value creation

Competitiveness and sound performance with responsibility for long-term impact

Attraction to investors

Ethics & Responsibility for stakeholders

Resilience

Social and environmental benefits

Photo Source: <https://abctechlab.com/6-2-tree-free-png-image/>





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