

**SUSTAINABLE
REPORT 2020**



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**To lead the organization
into the sustainable development
and growth**

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Message from Managing Director



East Coast Furniture Public Company Limited is a manufacturer and distributor of furniture with more than 20 years of experience in managing its operation under the Vision “Committed to be the leader in furniture business in Southeast Asia and Create opportunities for continuous growth in business” along with the development of product designs to always meet the needs of customers.

Additionally, the Company also adheres to the principles of good corporate governance. In 2020, we were rated as an excellent or 5-star listed company in the Corporate Governance Report of Thai Listed Companies 2020 (CGR) organized by Thai Institute of Directors (IOD), reflecting our commitment in developing economy, society, and environment, along with the good corporate governance.

In terms of goals and strategies to create a sustainable business, the Company has continued to mainly focus on the development of knowledge and personnel competency because human resources are a significant part in driving the organization to further grow and step into the steady and sustainable development in accordance with the Company’s Vision.

In terms of economic, social and environmental performance in 2020, the Company is still committed to developing all three areas at the same time, although during the first quarter

of 2020, the Company was affected by the outbreak of COVID-19, resulting in a significant decrease in the revenue of furniture products, and this epidemic had a wide impact on all sectors and all industries, in a critical condition, ECF has continued to generate sales growth from orders of new customer since the end of the second quarter. These show good signs to indicate that our long experience in the furniture business is an immune to protect us in continuously working under this unusual situation.

Last but not least, on behalf of East Coast Furnitech Public Company Limited, I would like to thank all stakeholders for your confidence and trust in our operations, and we are committed to conduct business by adhering to the principles of good corporate governance by prioritizing all stakeholders in all sectors, anti-corruption, while taking responsibility towards communities, society and environment to enable the Company to sustainably grow along with a quality society.

Mr. Arak Suksawad

Managing Director

East Coast Furnitech Public Company Limited

About This Sustainable Report

This sustainable report of East Coast Furnitech Public Company Limited. This report aims to present the company's performance in three facets; namely, economic, social, and environmental impacts and its good corporate governance during the period from 1 January 2020 to 31 December 2020, taking into account sustainable business operations and ability to respond to stakeholders' expectations.

Criteria for issue selection

1. Issue Identification: examine sources of information starting from sustainable development policy and information from internal and external stakeholders on issues that each stakeholder group expects or is concerned about. These issues may affect the sustainable of the company's economic, social, environmental, and good governance aspects. This examination was conducted to identify issues that are critical to the organization and stakeholders, using evaluation and weighting methods that the company has determined.

- Inside the company: executives' meetings, employee satisfaction and engagement survey, information gathered from the meetings, and information from employees' suggestions gathered by supervisors.
- Outside the company: shareholders' meeting, to present the Company's profile, Board of Directors meetings, supplier and client visits, and formal and informal conversation. The company has used this information in analyzing stakeholders' expectations to identify the issues.

2. Prioritization: After identifying key issues that may affect the organization and stakeholders, weighted scores will be given by assessing the issues' impact on internal and external stakeholders. The company has designed the criteria to be in line with the company's context.

3. Scope of report: This report only presents the sustainable performance of East Coast Furnitech from 1 January – 31 December 2020 covering key issues of all of the company's activities but excluding those of subsidiaries or joint ventures. However, this report includes the performance of subsidiaries and joint ventures in the part of economic issues.

4. Report approval: This report was not certified by external parties but was certified by the Board of Directors on 25 February 2021, and the company currently has no plan to seek an audit by external parties.

5. Inquiries: This report was produced with an objective to present the organization's sustainable performance to all stakeholder groups and people interested in the company's information in order to communicate and create an understanding of the organization's business operations. If there are further inquiries or suggestions, please contact Investor Relations Department, East Coast Furnitech PLC. Email : ir@eastcoast.co.th Tel: 02-152-7301-4 Ext. 212 or 202 Fax: 02-152-7305.





**General
information**
of the Company



Business of ECF

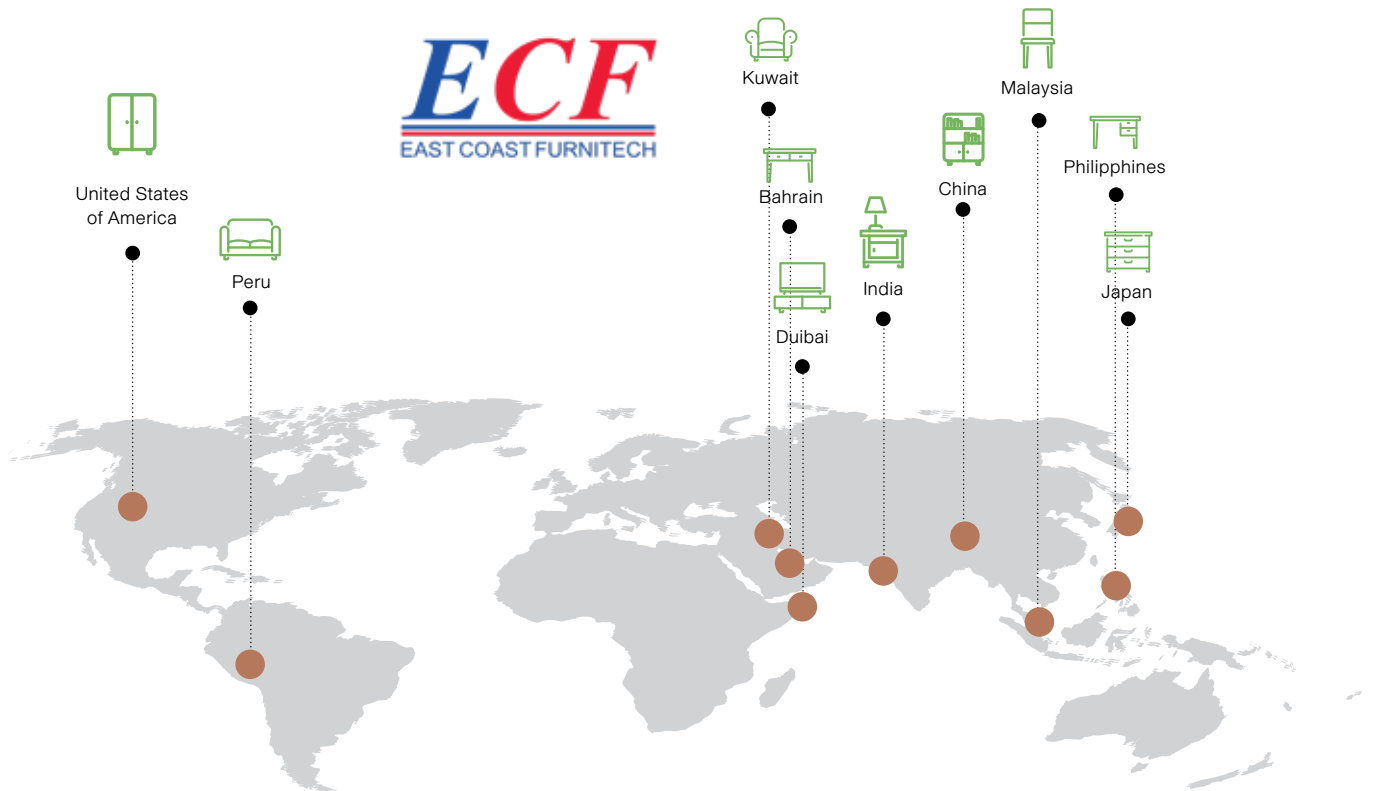
Furniture manufacturing and distribution business

The Company manufactures and distributes furniture with the proportion of domestic sales per export at 37%: 63%, most of sales are made-to-order for both domestic and foreign customers. Our main domestic customers are large retailers such as Home Pro, Tesco Lotus, Big C, Mega Home, Global House, DO Home, Winners and Mr. DIY.

Renewable Energy Business

The solar power plants invested by the Company under the name of ECF-P, a subsidiary of the Company under the management of Green Earth Power (Thailand) Co., Ltd. (GEP), with the investment ratio of 20% The project is in Republic of the Union of Myanmar. This solar power plant has a capacity of 220 megawatts divided into 4 phases, at present, only Phase I has generated and distributed electricity with a capacity of 50 MW, remaining 3 phases are under construction.

Our international customer groups include



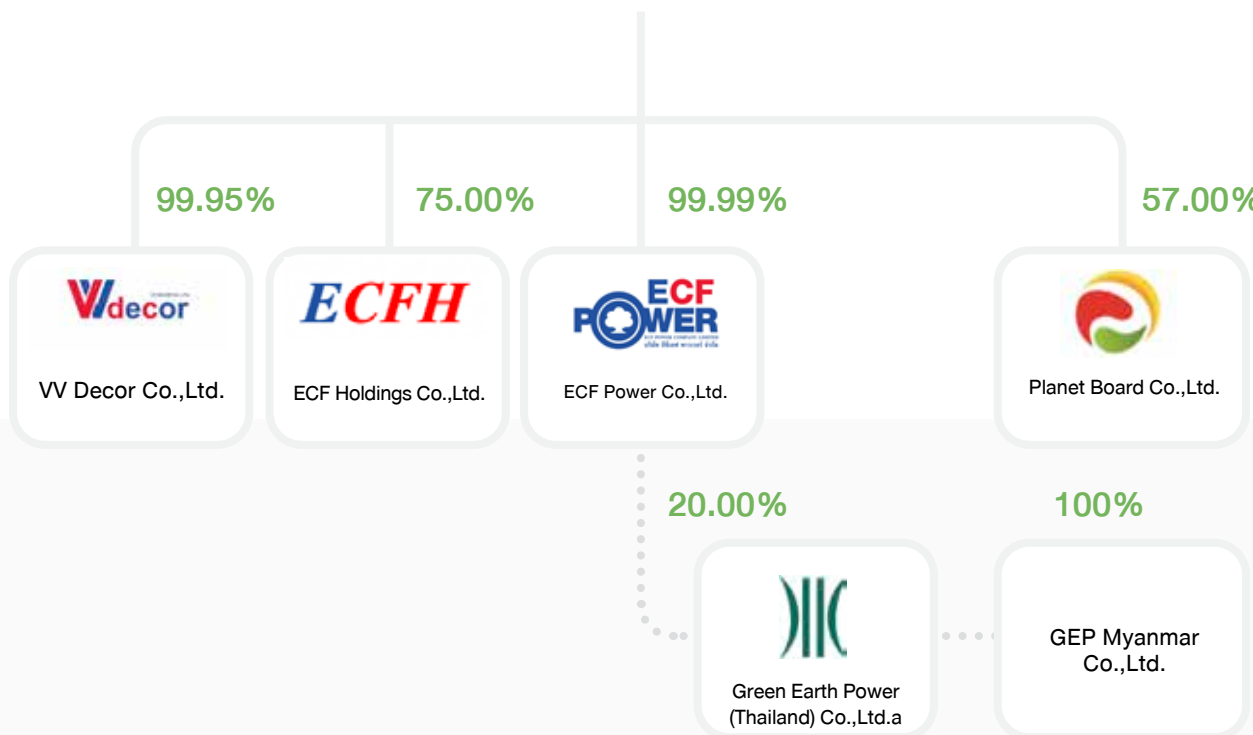
Hypermarkets consisting of the following brands:

- House Brand of Home Pro for distribution to Home Pro stores.
- House Brand of Tesco Lotus for distribution to Tesco Lotus stores.
- House Brand of Big C for distribution to Big C stores.
- House Brand of Mega Home for distribution to Mega Home stores.
- House Brand of Do Home for distribution to Do Home stores.
- House Brand of Winner for distribution to Winner stores.
- House Brand of Global House for distribution to Global House stores.
- HASTA which is the Company's brand for furniture production for selling via Mr.D.I.Y



ECF

EAST COAST FURNITECH



VV-Decor

VV Decor Co.,Ltd.
The foil paper distributor

ECFH

ECF Holdings Co.,Ltd.
The furniture distributor

ECF-P

ECF Power Co.,Ltd.
The renewable energy investor

PNB

Planet Board Co.,Ltd.
In the process of finding a new business

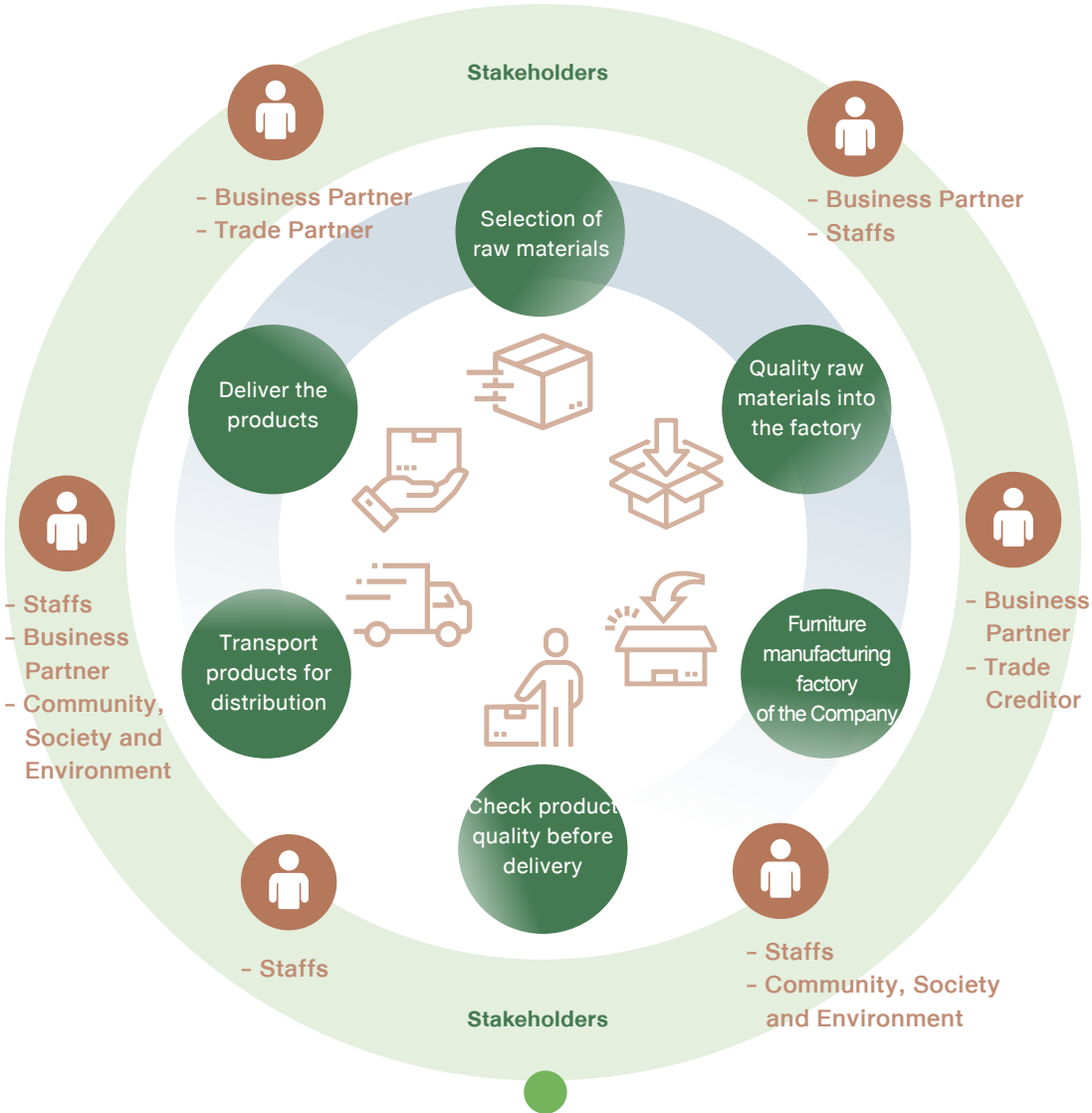
GEP

Green Earth Power (Thailand) Co.,Ltd.
The renewable energy investor

GEP - Myanmar

GEP Myanmar Co.,Ltd.
Solar Power Plant
220MW, Myanmar

Creating value chains



Shareholders/
Investors

Creditor

“Buy, manufacture, and deliver good products”

Vision

“Committed to be the leader in furniture business in Southeast Asia and Create opportunities for continuous growth in business”.

Mission

Sustainability =The organization is developed to grow with sustainability such as the cost and expense reduction of major raw materials for the Company’s furniture business, the expansion of business into the renewable energy business as an important tendency and a part of creation of energy stabilization, which would help to continuously generate revenue and profit for the business in overall.

Diversification = The risks from business operation are diversified, such as earning income from selling products in both domestic and international markets, having a variety of customer groups from exporting, hyper market stores, own showrooms, wholesale stores and retail stores of furniture countrywide, the business expansion into other types of businesses including the energy business, under the aims to diversify risks and to rely on other businesses apart from furniture business solely.

Adaptation = The company is preparing its readiness to continuously establish a strategy of change and adaption in the business to create opportunities for stable and sustainable business operations starting from manufacturing furniture parts to manufacturing rubber wood furniture, particle board furniture and manufacturing foil paper to reduce the cost of furniture production, etc.

Objective

“To lead the organization into the sustainable development and growth”.

Long-Term Target

The Company formulates the long-term target by maintaining the growth rate of sales volume and profit from operation in furniture business group for continuous growth, aims to be the organization that develops our investment to reduce costs in the integrated furniture manufacturing business, sets target of returns from alternative energy business in the proportion for not below 30% of total net profit of the Company and its subsidiaries within 3 years, and diversifies the business operation risks by investing in other types of businesses with potentials and opportunities for continuous growth”.

For the long-term target for over 3 years, the Company aims to be the leader in the business of manufacturing and distributing furniture for export and the leader in the furniture distribution business for wholesale stores, retail stores countrywide and in the ASEAN region.



Achievement Awards



^ The Company ranked as one of 5-star for the second consecutive year companies in the survey under listed in the group of listed companies with an excellent rating or 5 stars, Year 2019 and 2020
 By the Thai Institute of Directors (IOD) year 2019



^ Year 2017 Contribution Award
 NWC Small Group Activities Excellent Award
 East Coast Furnitech Public Company Limited
 May 11, 2018
 Nitori Holding Co., Ltd.



< Mr. Arak Suksawad Managing Director
 East Coast Furnitech Public Company Limited
 Received a plaque
 President of the Executive Year
 Association 2016 – 2017
 March 14, 2018
 The Thai Furniture Industry Association



East Coast Furnitech Public Company Limited Branch 2 Received a plaque Joint the Project Happy Workplace Under the project “Strengthen the organization of sustainable health

Of Thai furniture industry group November 16, 2017
The Thai Furniture Industry Association and Thai Health Promotion Foundation (ThaiHealth)



East Coast Furnitech Public Company Limited received a plaque Establishments that support the employment of disabled people for the year 2016

February 9, 2017
Rayong Governor

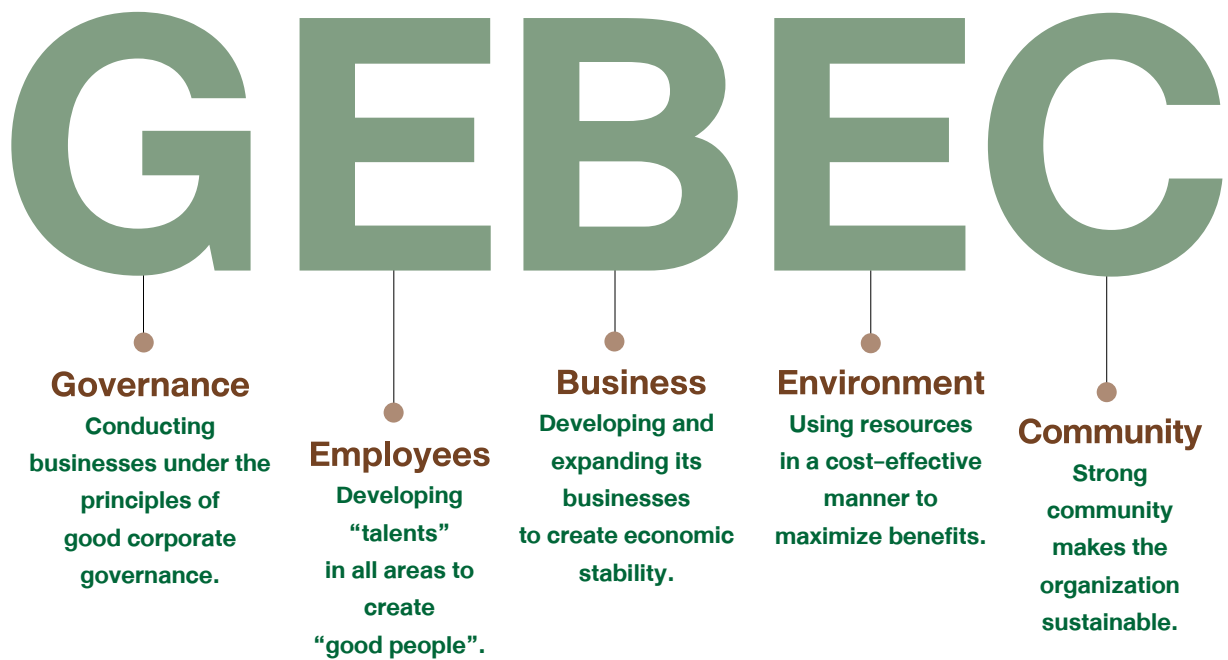


Sustainable Development

Sustainable Development Policy

East Coast Furnitech Public Company Limited and its subsidiaries (“Company”) operate businesses under the principles of good corporate governance as a management guideline, with “personnel” as an important resource to drive the organization, create values and innovations in order to develop the Company for sustainable growth and equally provide benefits for all groups of stakeholders and be an organization that can happily live with society.

As a guideline for operations and creating understanding among stakeholders, the Company has therefore established a policy under the GEBEC development principles for sustainable of the organization.



The Company is committed to develop its businesses to achieve the sustainable for stability and strength of the Company itself and benefit of stakeholders. However, in order to build the strength and sustainable growth, the Company has realized that it should start from developing human resource, which is an important part of creating sustainable development under the guideline of **“We will Move Forward Together”**.

Area	Details	Sub-policies	Practice/Tool/Standard
1. Governance 	Conducting businesses under the principles of good corporate governance	<ul style="list-style-type: none"> • Good Corporate Governance Policy • Anti-Corruption Policy • Policy on Non-infringement of others' Intellectual Property or Copyright • Whistleblower Protection Policy • Conflict of Interest Prevention Policy • Policy on the Use of Insider Information 	<ul style="list-style-type: none"> • Thailand's Private Sector Collective Action Coalition Against Corruption
2. Employees 	Develop “smart people” with all areas and create “good people” for the society under the control of policies established by the Company, and monitor them to ensure strict compliance.	<ul style="list-style-type: none"> • Business Code of Conduct for Directors, executives and employees • Ethics of Investor Relations • Personnel Development Policy • Employee Compensation and Welfare Policy • Policy on respecting human rights • Policy on safety, occupational health and working environment 	<ul style="list-style-type: none"> • Encouraging employees to attend training on knowledge related to in-house and external. • Organizing training courses to enhance knowledge in other areas to further develop personnel such as financial planning, etc. • Providing employees opportunities to equally express their opinions Disseminate the policies, practices and information to employees equally. Including supervision for the actual implementation
3. Business 	Developing and expanding business for economic stability	<ul style="list-style-type: none"> • Business and investment expansion plan • Marketing plan, and customer satisfaction survey • Investment budget • Risk Management Policy 	<ul style="list-style-type: none"> • To develop a variety of product styles for giving customers more choices • To think and find innovations to be used in the production process for time and cost minimization, but maintaining the quality of products. • To analyze the results of customer satisfaction survey, then apply it to continue the development of both products and services for better quality. • To encourage employees to create innovations for applying in their own work processes. • To expand the business to reduce sole dependence on main business. • To closely oversee and monitor the performance, growth ability and risks in various areas of invested businesses.
4. Environment 	Efficiently using resources for utmost benefits	<ul style="list-style-type: none"> • Efficient Use of Resource Policy • Greenhouse gas reduction policy 	<ul style="list-style-type: none"> • Management of wastes and waste materials • Use of alternative energy in production process • Participating in Green Industry Project • Efficient use of resources or materials in production processes to reduce wastes • Awareness of circular economy • To find ways for selling carbon credits from rooftop solar projects including guidelines for reducing greenhouse gases in a concrete and clear manner.
5. Community 	Strong community, sustainable organization including participation in the development to enhance the quality of life of community people	<ul style="list-style-type: none"> • Policies that access and participate in the development to improve the quality of life of people in the communities surrounding the factory, and in the provincial area where the factory or a branch office is located. 	<ul style="list-style-type: none"> • To receive complaints, listen to feedbacks of communities, provide an opportunity by having a direct channel for receiving complaints and feedback from communities or all stakeholders to the person assigned by the Company.

Sustainable Strategy Development

East Coast Furnitech Public Company Limited (“the Company”) operates its business under the principles of good corporate governance by focusing on business development along with human resources development. The Company believes that “personnel” is one of important resources in driving organization and also an important part in responding to stakeholder needs in a balanced manner. In addition to human resource development to move towards sustainability, the Company also takes into account the development of communities, society and environment to grow together with the sustainable development of the Company, following strategies are defined as a framework for development:

Personnel

- **Develop “smart people” in all areas and create “good people” for society.**

The Company has established the basic characteristics requiring everyone in the organization to have, all directors, executives and employees are required to acknowledge the Code of Business Conduct for Directors, Executives and Employees. Additionally, the competency of each job position is clearly defined as a guideline for developing employees’ working skills as well as to strictly enforce rules, regulations and other laws. The innovation is also created through technology and innovation to create a learning organization, and employees are encouraged to attend trainings on knowledge related to internal and external operations and organizing training courses to enhance knowledge in other areas, such as financial planning, etc. All of above-mentioned developments are for creating good people and smart people for the Company and society.

- **Creation of Work Life Balance**

The Company has realized the importance of employees, if they are happy in working and personal life in parallel, the good health of life will be created. This will help drive the success, stability and advancement of employees, organization and society together.

- **Creation of Trustfulness**

The Company has fairly treated its personnel by adhering to the principles of good governance, paying attention to the impacts that may arise from all work processes

inside the organization, and listening to opinions from personnel through weekly, quarterly meetings and various channels for improvement and applying for mutual benefits. In addition, the Company has also disclosed the information of operations, business operation, management of various areas with transparency and accountability through the Annual Report, website, newsletter, quarterly and annually clarifying the performances, as well as provided information on the performance of the past year. In addition, the Company also has a journal “For East Coast People”, which will provide updates on various areas inside the organization, performance information, interesting lifestyle and attractions, interesting restaurants to be introduced to employees on a quarterly basis.

- **Focus on equally listening to opinions of employees inside the organization**

The Company has realized that personnel is one of important resources in driving the organization. Therefore, listening to opinions is a matter of importance, we will conduct a survey of employee engagement with the organization through employee opinion surveys that are annually made through online system (Google Form). The survey will be divided into 5 main topics, consisting of:

1. Corporate image and communication inside the organization;
2. Supervisors and colleagues
3. Roles, duties, responsibilities, compensation and assessment
4. Opportunities for growth, quality of life and stability
5. Understanding of good corporate governance policy

The result of annual survey will be applied to improve and develop as a guideline for management and creation of better engagement with the organization.

- **Encouraging personnel to voluntarily do good for communities and society**

The Company has recognized the importance of promoting employees for public minds in order to create pleasant society and communities through various internal and external activities for creating the benefits for communities and society surrounding the location of headquarter and branch offices of the Company.

Business Development

- **Enhancing the competitiveness with quality and responsible products and services under the motto “ Buy, manufacture, and deliver good products”**
- **Expanding business by investing in other businesses apart from manufacturing and selling furniture:**

The company has a strategy to ensure its security by expanding its investment in other businesses with a focus on long-term value investing for the organization and stakeholders in order to increase revenue and ensure financial security.

Before pursuing any new investments, the Company conducts a careful feasibility study for the project and creates a risk management plan that complies with the related standards. The business expansion partly occurs to reduce dependence on main business alone, the Company, through its subsidiary, ECF Power Co., Ltd., has chosen to invest in renewable energy business, at present, its is the solar power plant project with capacity of 220 MW in Minbu City, Magway Region, Republic of the Union. Myanmar, until present, Phase 1 from totally 4 phases was completely constructed with a capacity of 50 MW and started the Commercial Operation Date (COD), remaining 170 MW from 3 phases are expected to be completed in construction and start the COD by the end of 2022.

In addition, the Company also takes into account the principles of good corporate governance by assigning representatives to take directorship in managing the invested power plant project in order to closely drive the management progress, business expansion approach, including the important issue, which is the guideline to hedge the risks in the business operation of the projec.

Community Development and Environment

The Company focuses on business development along with community development, including the optimal use of resources, and promoting the enhancement to replace the lost resources.

- **Creating careers and incomes for communities**
The Company believes that if the community is strong, the Company’s businesses shall possibly continue to steadily develop, the Company therefore focuses on creating careers and incomes for people in the community for better quality of life and self-reliance.

Support of budget to allow society to have opportunities in terms of education, religious maintenance and hospital support to enable community people to thoroughly access medical care with modern equipment and tools.

- **Green Space**
The Company focuses on the development to enhance employees’ intelligence and actions in delivering outcomes that minimize the environmental impacts covering all areas, starting from product acceptance process, production process, delivery and supporting the realization of product innovation rom development that reduces environmental impact. Also, the Company has started to study the approach to reduce greenhouse gas emission in a concrete way, in which the operational result will be realize clearer in following years.
- **Promotion of resource optimization:**
The Company promotes the optimal use of resources so that the employees will recognize the importance of resources for most efficient utilization, starting from production process covering from the use of resources and energy to be gradually minimized. Additionally, the Company also promotes resource regeneration, puts up signs to promote water and electricity conservation in various spots of the Company.

For energy consumption, the Company has implemented a rooftop solar project, that is, the Company has installed a roof-mounted solar power generation system with a total installed capacity of 998.40 kilowatts, located at the part of the roof area of the production building of head office of East Coast Furnished Plc., Klaeng District, Rayong Province.

Background of the project: In the past, the Company has started to expand its investment in renewable energy business for both solar power plant and biomass power plant, and has also realized the importance of being a part of strengthening the energy security in society and inside the organization; therefore, it has expanded to provide investment solutions to install the power generation system on rooftop to deliver the power generation system for own use within the factory of head office, which is a production plant of particleboard furniture products, our main product. In addition to being a part of building energy security, it will also be a channel to save electricity costs in the production process.

Connection of Stakeholders

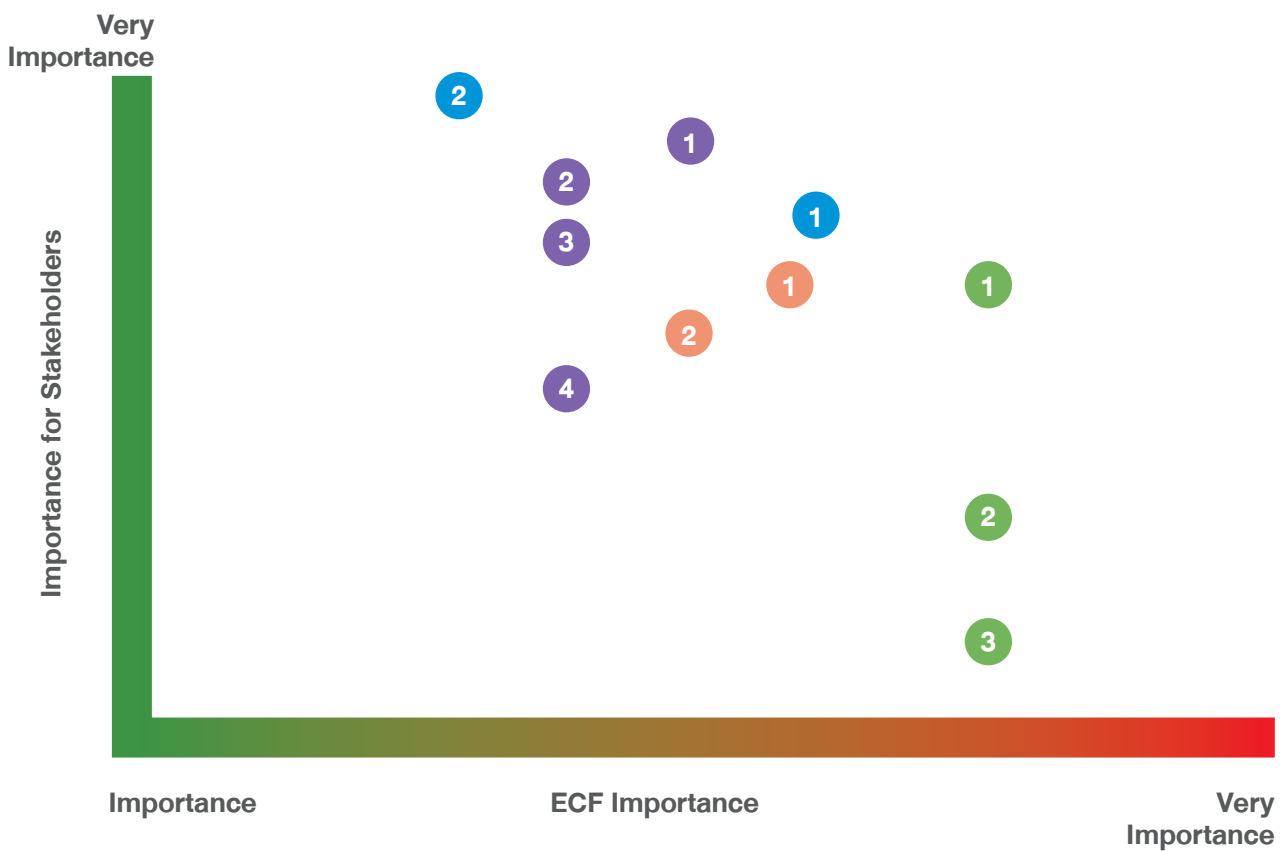
The Company operates the business by adhering to good governance, respect to the right take into account the benefits of the group of stakeholders and duties of each group are carried out with all of the aforesaid under the Company's concern on either both positive and negative impact, or both direct and indirect impact for equally getting satisfactions from the Company's stakeholders of all groups.

Stakeholders	Expectation	Reaction	Connection Guideline
Employees 	<ol style="list-style-type: none"> 1. Arrangement of fair remuneration in consistency with economic state 2. Career Opportunities and Progress 3. The development of knowledge and competence in areas directly related to the career, and knowledge to be continuously applied in their living. 4. Occupational health care 5. Work-Life Balance 	<ol style="list-style-type: none"> 1. Emphasize on every level of the Company's employees under equitable and fair employee treatment. 2. Provide return which is appropriate for knowledge and competency of each employee, together with focus on continuous development of potential, and knowledge 3. Policy on safety, occupational health and working environment plan 4. Trainings for personnel's potential development 5. Respect to human right, dignity and basic right in working, as well as not disclose or transmit information or secret of the employee to the third party or unrelated party. 6. Give the employees the opportunity to have communication channel for suggestion and complaint on working. Suggestions shall be considered and corrective method shall be determined for interest of all parties and creation of good relationship in cooperation. 	<ol style="list-style-type: none"> 1. Survey on organizational commitment 2. Journal for "Eastcoast People" 3. Employee Comment Box 4. E-mail 5. PR Board 6. Organizing seminars to educate 7. Activities to meet and socialize on various occasions.
Shareholders / Investors 	<ol style="list-style-type: none"> 1. Good Corporate Governance 2. Maintaining rights and equality 3. Good and regular returns of investment 4. Good operational performance and sustainable of business operations 5. Careful Risk Management 	<ol style="list-style-type: none"> 1. Realize and emphasize on basic rights of the shareholders 2. Promote and facilitate the right of the shareholders 3. Disclosure of accurate, complete and adequate information for decision-making. 4. Implementation based on the principles of good corporate governance 5. The Company properly and regularly paid dividend to the shareholders in dividend payout ratio in accordance with dividend payout policy as prescribed by the Company. 6. Business management under the sustainable administration, proper risk management planning 	<ol style="list-style-type: none"> 1. Ordinary and Extraordinary Meeting of Shareholders 2. Disclosure of Data Information via SET Portal Straight Through System of the Stock Exchange of Thailand, and the organizational website 3. Organizing an event to declare our performance through the Opportunity Day event organized by the Stock Exchange of Thailand 4. To discuss, talk and reply inquiries through the Investor Relations Department by assigning the responsible person. 5. Web site : www.eastcoast.co.th 6. Quarterly Performance Report 7. Press releases via various media 8. Company visit
Customers 	<ol style="list-style-type: none"> 1. Variety of quality goods and services to fulfil customer needs. Products that are responsible to society and environment, and are reused 2. Convenience of product access. 3. Preparedness and rapidity of customer service. 4. Reasonable price of goods. 5. Confidentiality of customer information. 	<ol style="list-style-type: none"> 1. Operate manufacturing and distributing business for goods which are safe for usability by taking into account the user's health and after sales service that create maximum customer satisfaction. 2. Use eco-friendly materials in product manufacturing 3. Arrange communication channel so that customers can complain with the Company. Customer complaint shall be attentive and contingent problems shall be fairly solved for customer 4. Operate the business by adhering to honesty and fairness, not performing acts that violate the right of customer 5. Not demand to receive or agree to receive property or any other interest in bad faith from customers both directly and indirectly. 	<ol style="list-style-type: none"> 1. Visiting customers to offer new products and opportunities to directly listen to feedbacks and needs from customers. 2. Survey on Customer's Satisfaction 3. organizing activities held by the Company to reach target customers through established marketing channels such as organizing trade shows for wholesaler group and retailer group nationwide, etc. 4. Provision of opinion, suggestion, and complaint channel for customers 5. providing additional information about the Company or its products via Web site : www.eastcoast.co.th and www.elegathai.com

Stakeholders	Expectation	Reaction	Connection Guideline
Business Partners and Business Creditors 	<ol style="list-style-type: none"> 1. Fair business doing 2. Management under good governance and transparency of business operation 3. Sustainable business chain management 4. Ability in supporting business operations 5. Co-development of products and services to enhance the quality and standards 	<ol style="list-style-type: none"> 1. Treat business partners under equality. 2. Select business partners that operate business according to law, and comply with manufacturing standard, and safety and environmentally friendly standard 3. Keep business secret or business information of the business partner 4. Create good mutual relationship and understanding, share knowledge, and mutually and continuously develop and add value to raw materials and goods ordered by the Company. 5. Not demand to receive or agree to receive property or any other interest apart from business agreement. 	<ol style="list-style-type: none"> 1. Regular holding annual meeting of the business partners 2. Discussion for brainstorming in creative development of products 3. Business partner company visit for hearing opinions and suggestions 4. Providing information to trading partners for the acknowledgement of our anti-corruption policy 5. Procurement Manual
Business Competitors 	<p>Operate business and compete under transparency and fairness, and compliance with the framework of good competition and honesty.</p>	<ol style="list-style-type: none"> 1. Compliance with the framework of rule of fair competition 2. Not destroy reputation of business competitors with malevolence. 3. Not violate intellectual property / copyright. 4. Not seek for secret information of business competitors by dishonest or improper means. 5. To cooperate in developing Thai furniture to be internationally competitive in the world market. 	<ol style="list-style-type: none"> 1. Meeting and discussion, opinion sharing, and cooperation in various agenda. 2. Applying for a membership of associations related to and in charge of furniture industry.
Creditors 	<ol style="list-style-type: none"> 1. Duly interest repayment. 2. Profitability of the Company's performance. 	<ol style="list-style-type: none"> 1. Strictly complying with financial covenants to creditors as agreed in loans contracts. 2. Good financial management to achieve creditors' confidence 3. Properly and duly disclose operating result information and financial position. 4. In case of failure to comply with conditions in loans repayment, creditors must be notified in advance for finding a solution and preventing damages together. 5. A meeting is organized to meet financial institution creditors and company visit shall be annually arranged. 	<ol style="list-style-type: none"> 1. Meeting and discussion 2. Disclosing accurate financial performance information in a timely manner to creditors so that they could know the updated information of the Company's financial status.
Community and Society, and Environment 	<ol style="list-style-type: none"> 1. Operate businesses that do not affect the community or the effects caused by the business operations could be managed. 2. Effective management of wastes from business operations. 3. Participation in community's activities. 	<ol style="list-style-type: none"> 1. Create the understanding, reliability and engagement with community. 2. Formulate preventive and corrective measure for impact occurred with community and society as the result of the Company's operation. 3. Managing for creating a good environmental maintaining and protection system. 4. Evaluation of community relation activities to measure the efficiency to those activities. 5. Culture consciousness and promote educating and training to the employees of all levels in respect of environmental preservation. 6. Promote environmentally friendly use of technologies, machines and raw materials used in production process. For environmentally friendly practical guideline in the production process of the Company. 	<ol style="list-style-type: none"> 1. Community relation activities (engagement with community activities) 2. Regular survey and discussion for hearing opinions and requirements of community and society on yearly basis. 3. Opening channels for accepting complaints if having any problem or impact in the community through given via Web site : www.eastcoast.co.th

Selection of Significant Issues Affecting Sustainability

The Company has selected the issues affecting the sustainability by considering the risks and strategies for the Company's sustainable management and the issues emphasized by the stakeholders, has the prioritization process from agencies connecting the Company's stakeholders and executives and annually reviews the important issues. In 2020, the Company considered and analyzed various issues that are important to the Company's stakeholders in terms of good corporate governance, economic conditions, society and community, and environment in Materiality Matrix format, with following important points:



Corporate governance	Economics	Social	Environment
<ul style="list-style-type: none"> • Good Corporate Governance • Anti- Corruption 	<ul style="list-style-type: none"> • Revenue and growth • Creating innovations for use in the production process. • Risk Management 	<ul style="list-style-type: none"> • Employees Development • Respect for human rights. • To focus on occupational health care And safety • Participation in the development of surrounding communities. 	<ul style="list-style-type: none"> • Renewable energy used in factory. • West management.

Performance on Quality

Corporate Governance,
Performance on Quality
Economic



Corporate Governance



Good corporate governance or corporate governance is the prescribed principle which should be always performed by the Company. At present, it has been well known that if the business requires sustainable grow, the operation of the Company and related parties must not ignore interest and social, environmental and stakeholder impact and not for specific business profit or interest of some groups of persons anymore. The Company has therefore prepared code of business conduct, business ethics Anti-Corruption Policy and Corporate Governance Policy including other related sub-policies in writing to be the practice of the directors, executives, and employees in business operation as well as driving other related parties in the supply chain to consider business operations under principles of good corporate governance.

Nevertheless, the Company realizes on self-conduct in accordance with the principle of Good Corporate Governance Policy as prescribed by the directors, executives and employees. The Company therefore communicates Good Corporate Governance Policy and the manual of business ethics and code of conduct Business Code of Conduct Manual of the Company to the directors, executives and employees via the following channels.

- Via the Company's website: www.eastcoast.co.th
- Notification via e-mail
- Notification via public relations
- Documents to employees Ready to sign for acknowledgment

Roles and Responsibilities of the Board of Directors as the Leader who Creates Sustainable Value for the Business

The Board of Directors should understand their roles and be aware of their responsibilities as the Leader that must oversee the organization to have good management, covering the establishment of objectives, goals, strategies, operational policies, and the allocation of important resources to achieve objectives and goals, monitoring, evaluation, and oversight of performance reporting.

The Company's Corporate Governance Committee consists of the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee, and Executive Committee as following details:

Board of Directors

As of December 31, 2020 the board of directors consisting of 8 Directors as follows.

1.	General Terdsak	Marom	Chairman of the Board of Directors/ Audit Committee Member / Independent Director
2.	Assoc. Prof Dr. Montree	Socatiyanurak	Chairman of the Audit Committee / Independent Director
3.	Assoc. Prof. Songklod	Jarusombat	Audit Committee Member / Independent Director
4.	Dr. Ekarin	Vanasong	Independent Director
5.	Mr. Paiboon	Aroonprasobsuk	Independent Director
6.	Mr. Chalee	Suksawad	Vice President
7.	Mr. Wanlop	Suksawad	Director
8.	Mr. Arak	Suksawad	Director

Roles and Duties of the Board of Directors

Formulate strategy, business plan and budget

Consider Review of Vision, Mission, Objectives, and Strategies approving business plan, and budget, and approving investment in various projects.

The Board of Directors' Meeting No. 1/2020 held on 27 February, 2020 has a resolution to consider and review the Company's Vision, Mission, Objectives and Long-term targets

Monitor operation

Audit the use of budget to be consistent with the objective of investment in each project, and monitor operating result based on setting plan or target.

Supervise for properness and completeness

- Operate by protecting the interests of shareholders, control and oversee the correct, complete disclosure of information to investors with standards.
- Establish reliable accounting system, financial reporting, and auditing.
- Prepare financial statements at the ending date of the accounting year of the Company.
- To monitor and supervise the subsidiaries and associates invested by the Company to have accurate and complete disclosure of information;
- Consider the appointment and alteration of the person to assume the director of the Board of Directors and/or executives.
- To annually consider and review the Charter of each subcommittee;
- Consider the report of connected transaction or transaction with conflict of interest and transaction of acquisition or disposal of the Company.

Audit Committee

As of December 31, 2020 the audit Committee consisting of 3 Directors as follows

1.	Assoc. Prof. Dr. Montree	Socatiyanurak	Chairman of the Audit Committee/ Independent Directors
2.	General Terdsak	Marom	Audit Committee Member/ Independent Director
3.	Assoc. Prof. Songklod	Jarusombat	Audit Committee Member/ Independent Director

Roles and Duties of the Audit Committee

Audit and control for properness

- Audit the subsidiaries to properly disclose information and financial report.
- Properly and effectively audit the Company and its subsidiaries to have Internal Control System.
- To review the Company to comply with the Securities and Exchange Act including the rules and regulations according to the requirements of other relevant laws.

Consider approving and reviewed

- Consider of the connected transaction or transaction with the possibility of conflict of interest, and transaction of acquisition or disposal of the Company.
- To consider, select, and nominate independent persons to act as the Company's Auditors, as well as to propose the termination of employment of external Auditors.
- To review and ensure the appropriate and effective internal control system and internal audit system; and to consider the independence of the internal audit function, to approve the appointment, transfer and termination of the head of the internal audit function, or any other function responsible for internal audit.
- Prepare the Audit Committee's Report and disclose in Annual Report.

Risk Management Committee

As of December 31, 2020 the Risk Management Committee consisting of 4 Directors as follows

1.	Assoc. Prof. Dr. Montree	Socatiyanurak	Chairman of Risk Management Committee / Independent Director
2.	Assoc. Prof. Songklod	Jarusombat	Risk Management Committee Member / Independent Director
3.	Mr. Chalee	Suksawad	Risk Management Committee Member
4.	Mr. Arak	Suksawad	Risk Management Committee Member

Roles and Duties of the Risk Management Committee

Formulate and govern

- To establish the policy and framework for the Company's risk management.
- Govern risk management of the Company to attain target and succeed based on objective.
- To consider the acceptable level of risks if happened to minimize the impact that will occur.

Consider Assessment Report

- To systematically assess and investigate risks in the furniture industry including other businesses invested by the Company to reduce the opportunities of damages to an acceptable level.
- Report risk supervision and assessment result.

Nomination Committee

As of December 31, 2020 the nomination Committee consisting of 3 Directors as follows

1.	Assoc. Prof. Songklod	Jarusombat	Chairman of the Nomination Committee and Independent Director
2.	Mr. Chalee	Suksawad	Nomination Committee Member
3.	Mr. Arak	Suksawad	Nomination Committee Member

Roles and Duties of the Nomination Committee

- To select persons who deserve to be nominated as new directors, as well as to nominate the Managing Director by establishing the rules or methods of nomination and selection with criteria and transparency.
- Prepare training plan for directors and top executives.
- Prepare development plan for the Managing Director and top executives, and succession plan.

Remuneration Committee

As of December 31, 2020 the remuneration Committee consisting of 3 Directors as follows

1.	Assoc. Prof. Dr. Montree	Socatiyanurak	Chairman of Remuneration Committee and Independent Director
2.	Mr. Chalee	Suksawad	Remuneration Committee Member
3.	Mr. Arak	Suksawad	Remuneration Committee Member

Roles and Duties of the Remuneration Committee

- Consider the form of remuneration payment the criteria of remuneration payment for directors and Managing Director
- Assess performance of the Managing Director and propose the directors of the Company
- Consider determining annual remuneration of the Board/Committees and the Managing Director

For additional details of roles and duties of each set of the Committee and responsibility, please read in Annual Report 2020.

* more details of Corporate Governance Policy can be found in 2020 Annual Report.



Self-assessment report of the Board of Directors

For 2020 with average evaluation results based on full score of 100 percent as follows:

Category	Team Evaluation Result	Individual Evaluation Result
The Board of Directors	96.88	97.41
Audit Committee	100.00	99.17
Risk Management Committee	100.00	98.13
Nomination Committee	100.00	95.83
Remuneration Committee	100.00	95.83

The Company establishes the policy for determination of element of the Board using Board Competency Matrix which is classified into three main topics being used as consideration support, consisting of knowledge relating to industry, and experiences relating to business operation of the Company, skills and experiences and knowledge in various fields, such as accounting, finance, law, etc., including behavioral competency, such as teamwork, coordination, boldness, etc. If considering from such Matrix, when the element of each director is taken into consideration on the perspective of the Board, all topics are covered. The Nomination Committee then will consider that the element of the Board is proper, and covers adequate knowledge, experiences, competencies and skills which are useful and efficient for operation in part of the Board of Directors.

Results of the Board Competency Matrix

Assessment topics	Assessment (percentage)
Knowledge about the industry and experience	86.88
Skills / experience	88.18
Behavioral ability	93.33
Average score from all topics	89.90

In part of corporate governance, the Company establishes Corporate Governance Policy for 2020, business operation ethics, and code of business conduct for directors, executives and employees, and policy for prevention and governance on use of inside information which is disclosed in the Company's website: www.eastcoast.co.th on the page of Investor Relations in topic of Good Corporate Governance.

In addition, the Remuneration Committee also establishes the rules and policies for annually evaluating the performance of Managing Director by determining only independent directors who could evaluate the performance of Managing Director. In 2020, totally 5 independent directors conducted the evaluation and concluded as follows:



Summary on the performance evaluation of Managing Director (MD) for 2020

No.	Topic	Total Score (per Topic)	Average Score (Point)	Average Score (Percentage)
1	Leadership	24	24.00	100.00%
2	Strategy Determination	24	23.60	98.33%
3	Compliance with Strategy	24	23.80	99.17%
4	Planning and Financial Performance	24	23.60	98.33%
5	Relationship with the Board of Directors	24	24.00	100.00%
6	Relationship with External Parties	20	20.00	100.00%
7	Management and Relationship with Personnel	24	23.80	99.17%
8	Succession	12	12.00	100.00%
9	Product and Service Knowledge	16	16.00	100.00%
10	Personal Characteristics	24	23.60	98.33%
Total Score		216	214.40	99.26%

In addition other policies related to good corporate governance. With details as follows

Protection and Fairness Policy for Stakeholder and Employee as Informant or Whistleblower of Corruption, Right Violation or Breach of Law, Rules and Regulations of the Company and Code of Conduct(Whistleblowing Policy)

According to whistleblowing of clue or complaint **at all stakeholders**, the whistleblower can contact or complain in the matter that may be corruption, right violation, or the matter that may be problematic to the Board of Directors via the following channels.

- 1) **Letter sent to**
 - Assoc. Prof. Dr. Montree Socratyanurak
The Chairman of Audit Committee / Independent Director; or
 - Mr. Arak Suksawad
Managing Director; or
 - Company Secretary Office
East Coast Furnitech Public Company Limited
25/28 Moo 12 Buengkamproi, Lumlookka, Pathumthani 12150
- 2) **E-mail** sent to Company Secretary Office: cg@eastcoast.co.th or Human Resource Department : hrrayong@eastcoast.co.th
- 3) The Company's website in topic of "Complaint Channel"

After the Company is notified about information of corruption, right violation or the matter that may be the problem, the Company's action process after receiving complaint is as follows.

1) Gather fact and consider detail of fact.

After receiving complaint via various channels, the Company shall gather fact relating to corruption, right violation or matter that may be problematic. The investigation working group shall be established by considering from the related parties, such as topmost superior / supervisor in work unit that receives complaint, and Human Resource Department Manager and/or other person who is considered as appropriate. The investigation working group shall start gathering information, evidence and investigate fact in details.

2) Find the conclusion of action measure

The investigation working group shall conclude action measures in order to mitigate the damage for the affected person.

3) Report the result

The Company Secretary Office is responsible for reporting result to the complainant for acknowledgement. In the event of the significant issue, it must be reported to the Managing Director and/or topmost executive of the work unit that receives the said complaint (in the event where topmost executive of the work unit does not participate to be the investigation working group) depending on the degree of importance and seriousness of the complained matter.

Protection and Fairness Policy for Employee as Informant or Whistleblower of Corruption, Right Violation or Breach of Laws, Rules and Regulations of the Company and Code of Conduct

After the Company is informed of the offence and corruption information, the Company's action process after receiving complaint is as follows.

1) Gather fact and consider detail of fact

After receiving complaint via various channels, the Company shall gather fact and set up the investigation working group for corruption to consider from the related parties such as topmost superior / supervisor in work unit that receives complaint, Human Resource Department Manager, and/or other person who is considered and deemed appropriate. The investigation working group for corruption shall start gather information, evidence and investigate fact in details.

2) Find conclusion of action measure

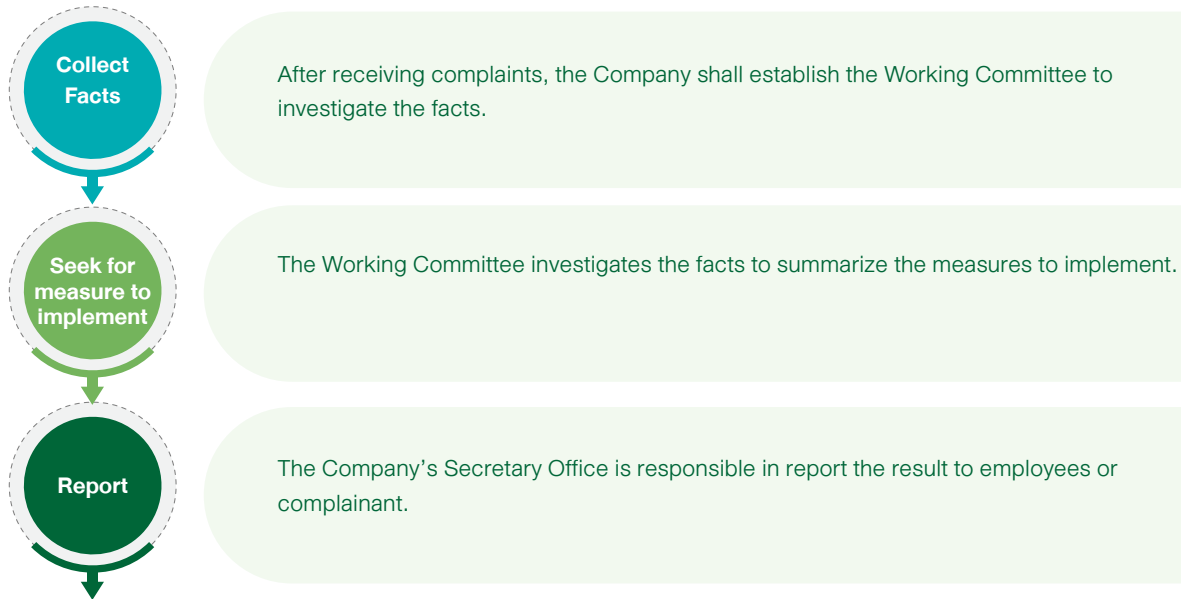
The investigation working group for corruption shall find the conclusion relating to action measure to mitigate damage for the affected person. Any punishment action shall not be taken with the employee who is the informant with honest intention.

3) Report result

The Company Secretary Office is responsible for reporting the result to the employee for acknowledgement if the employee who is the complainant performs self-disclosure. In the event of significant issue, the Company Secretary Office shall also report to the Managing Director and/or topmost executive of the work unit that receives the said complaint (in the event where topmost executive of the work unit does not participate in the investigation working group for corruption) depending on degree of importance and seriousness of the complained matter.



Implementation Process when Receiving Complaints



Care and Protection for Whistleblower of Complaint

Should any person in the Company behaves to persecute, threaten, discriminate or use disciplinary action by improper or unfair procedure in relation to complaining of the whistleblower of complaint and other related persons of corruption investigation from the said complaint, it shall be deemed that that person commits disciplinary offence and must be liable and reimburse damage to the Company or affected person from such act, or may be illegal accordingly.

Policy and Practical Guideline for Non-Infringement of Intellectual Property or Copyright of Other Person

The Board of Directors clearly establishes a policy on no performing any acts of infringement of intellectual property and determines the following practical guideline.

- The Company establishes the policy for use of information technology system of the Company and its subsidiaries under audit on use of software program systems in the employee's working in order to prevent use of software that infringes copyright or is not related to working, etc.
- As the Company must design and develop products every year to be offered to customers, the Company provides the principle to Research and Development Department that unlicensed intellectual property of other person shall not be infringed, imitated or used.
- The achievement or information as the right of the third party that is acquired or will be used inside the Company shall be verified to ensure non-infringement of other person's intellectual property.
- Self-conduct shall be in accordance with laws relating to intellectual property and copyright, such as trademark-related law, patent-related law, copyright-related law, or other related laws, and promote training for knowledge provision to the employees in intellectual property-related law. The application of works or information belonged to third parties which have been provided or to be used within the Company is required to verify to ensure the non-violation of others' intellectual properties. In addition, any types of intellectual properties of the Company are not allowed to be used for personal gain or for other persons without permission.

The Company gives the opportunity to notify complaint in the event of detection on infringement of intellectual property at:

- **Letter sent to:**
Assoc. Prof. Dr. Montree Socratyanurak
 The Chairman of Audit Committee/Independent Director; or
Mr. Arak Suksawad
 Managing Director; or
Company Secretary Office
 East Coast Furnitech Public Company Limited
 25/28 Moo 12 Buengkamproi, Lumlookka, Pathumthani 12150
- **E-mail** sent to Company Secretary Office : cg@eastcoast.co.th or Human Resource Department : hrrayong@eastcoast.co.th



Conflict of Interest Prevention Policy

The Company establishes a policy on prohibition of directors, executives and employees to take the opportunity from the status of the Company's director, executive or employee for exploitation, and formulates to be the following policy and practical guideline.

1. Take action with conflict of interest or connected transaction prudently, honestly, fairly and reasonably under transparent process in approval on entry into transaction by taking the Company's interest into account. The directors of the Company, and stakeholders have no right to vote for approval on the matter of which he/she has both direct and indirect interest or conflict of interest, and shall properly and completely disclose information in accordance with the rule of the Securities and Exchange Commission (Office of the SEC) and the Stock Exchange of Thailand.
2. In the event of necessity to perform transaction for the Company's benefit, the said transaction shall be performed as if transaction which is performed with the third party that commercial agreement is made in the similar manner as the reasonable man should perform with the general contractual party, with commercial bargaining power which is free from influence of the director and executive status, or the related party, and must not be involved in considering the approval. In addition, the criteria of information as prescribed by the related agencies as practice shall be complied.
3. Any acts which are in conflict with business interest of the Company are prohibited. The said acts include cause of the Company's loss of interest or lesser benefit than it should be, or sharing of the Company's benefit.
4. Any acts which are competitive with the Company's business or operates the business in the similar nature of business as the Company, are prohibited.
5. The directors, executives, staffs, and employees of the Company, and spouse and child of the said persons, are prohibited from exploitation of the personal business with the Company, for instance, any act for sale of goods and services to the Company. If the said act is performed, clarification document shall be prepared and information shall be disclosed for the Company's acknowledgement in every case.
6. The directors of the Company and executives shall report stakeholding report of their own and the person that may have conflict of interest in accordance with prescribed criteria.
7. The Board of Directors shall monitor and supervise the Company and its subsidiaries to comply with the Securities and Exchange Law, regulations, notifications, orders or rules of the Stock Exchange of Thailand, Office of the SEC, and Capital Market Supervisory Board. In addition, the Company shall disclose the information which is entered into connected transaction under the rules prescribed by the Stock Exchange of Thailand, and of related agencies.



Anti-Corruption

The definition according to the anti-corruption policy

Corruption means the practice or omission of duties including any form of bribery, by offering, promising, giving, promising, claiming or accepting money, property or any other benefit that is inappropriate with government officials, government agencies, private organization or those who have duties, either directly or indirectly, to make such person to act or refrain from performing their duties, which is to acquire or maintain business or introduce business to a particular company, or to obtain or retain any other improper benefits for the Company, oneself or related parties.

Corruptions may be conducted in many forms, for example,

1. Political contributions;
2. Charitable contributions and sponsorships;
3. Gifts and hospitality;

Political contribution means the monetary or non-monetary contributions to political parties, politicians, or political candidates, the non-monetary contributions include lending or donating equipment, free technology services including allowing directors, executives and employees to take unpaid leaves for participating in political activities.

The Company has paid attention in improving the management process inside the organization to ensure the operational transparency that is verifiable. We have always believed that doing business with integrity, accountability and verifiability will benefit us to gain the trusts of customers, shareholders and all groups of stakeholders. The Company has revised the anti-corruption policy to comply with the operating situation of the Company, and such policies are published through the Company's website (www.eastcoast.co.th) and publicize for the acknowledgement of our employees.

In addition, the Company has been communicating and publicizing the anti-corruption concept to all stakeholders of the Company by issuing letters to its business partners and customers to refrain from giving/receiving any rewards in the form of cash, items or gifts, and prohibit to accept/pay any bribes for the Company's business interests and notify partners and customers of process to complain on unfair treatment for the Company's solution, as well as organized the meetings and communication to all employees of the Company to be aware of this policy and continuously practice in anti-corruption.

The Board of Directors has assigned a policy to declare the Company's intention to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption or CAC, which is a way to solve corruption problems in cooperation among private companies that wish to create pressure for changes in the government sector by collaborating to refuse payment in all forms of bribery and against the use of corruption as a barrier to competition and free-trade practices. All companies that declare their intention to participate in the CAC program shall prepare or review their own internal control system in accordance with the guidelines specified in the self-assessment form (71 questions) and allow the third parties. (Chairman of the Audit Committee or a certified public accountant) to verify the accuracy of the information before submitting an application to the CAC Council for consideration and approval. At present, the Company is in the process of planning to prepare the self-assessment form (71 questions), if the progress is achieved at least 80%, the Company will further enter the process to declare its intention and participate in the CAC program.

The Company has established the guidelines for receiving complaints and whistleblowing of any offense or any action that is tended to misconduct and corruption of the Company's personnel to those involved and the Company in causing damages to the Company.

The Company's directors, executives, employees at all levels shall not ignore or neglect when seeing the corruption that is related to the Company, he/she must notify his/her supervisor or the person in charge for acknowledgement, cooperate in the examination and investigation of facts. In addition, the Company has also provided channels for receiving complaints from external parties as well.

The Company will provide fairness and protect employees who reject the corruption or notify about corruption, the Company will not demote, punish or give negative effect to those employees who reject the corruption and will also maintain the confidentiality of those involved in the verification and investigation of corruption acts.

In 2020, the Company conducted the corruption risk assessment and not found of corruption risks that are classified as significant risks to the business, the Company has also established the guidelines for internal control systems for the information system, documentation system that will be checked and balanced, including work processes to supervise and control for prevention. In addition, the risks that had ever had corruption or analyzed to possibly have corruption have not yet been monitored, the evaluation was also found that the internal supervision is still adequate, and in previous year, none of complaints about corruption behaviors, illegal behaviors and dishonest and unethical behaviors that significantly impact within the organization was received anyhow.

In 2020, the Company did not receive any complaints about corruption, violation of rights or failure to comply with laws, rules, the Company's regulations, and ethics, or about the case causing the negative reputation to the Company due to the management of the Board of Directors, executives, as well as about the resignation of any director or executive due to none of good corporate governance policy or adequate and proper internal control system, and none of legal disputes regarding labor and related to the business operations with all stakeholders was happened anyhow.



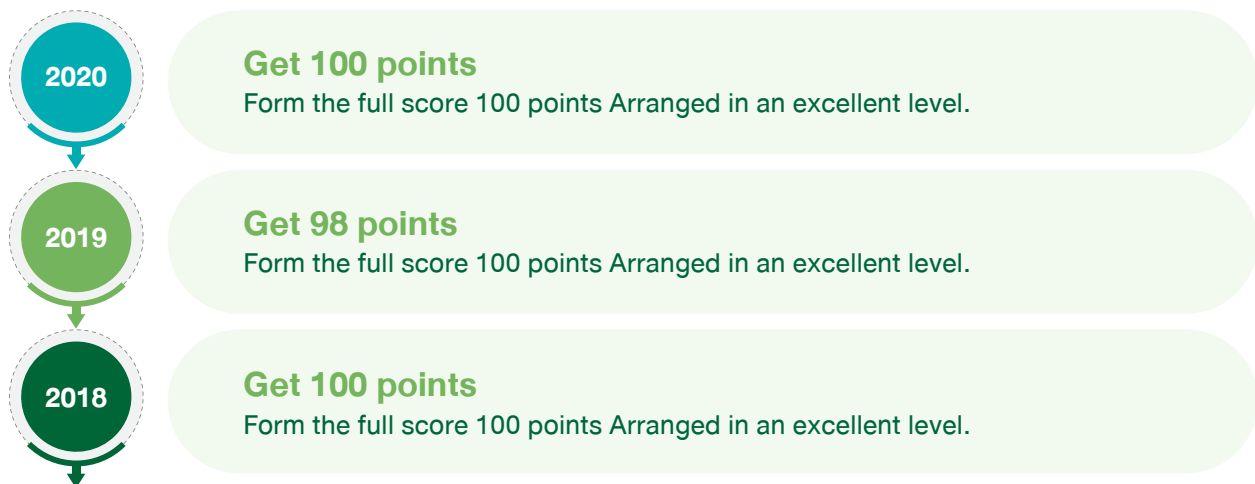
Corporate Governance Assessment Result Report (CGR)

East Coast Furnitech Public Company Limited or “ECF” has been rated as “Excellent” level by the Corporate Governance Report of Thai Listed Companies 2020 (CGR) organized by Thai Institute of Directors (IOD) in collaboration with the Stock Exchange of Thailand.

Year	Level	Symbol
2020	Excellent	
2019	Excellent	
2018	Very Good	

The result of quality assessment of annual general meeting of shareholders (full score 100)

East Coast Furniture Public Company Limited or “ECF” was assessed with a full 100 score from the Annual General Shareholders’ Meeting (AGM) Assessment Project conducted by the Thai Investors Association, Thai Listed Companies Association (TLCA) and the SEC Office.



The results of above-mentioned surveys have reflected that the Company’s commitment to operate business under good corporate governance principles and all of these will not be happened if lacking the cooperation or attentions and adherence of everyone in the Company.





Performance on Quality Economic

Risk Management for Corporate Sustainability

The Company has realized the importance of risk management by adhering that the risk management is one of important compositions for all of the Company's business process. The Company therefore has appointed the Risk Management Committee to be responsible in determining the risk management policy, risk assessment together with seeking ways to systematically prevent and audit risks in the Company's business in order to minimize the opportunities of damages to the organization at an acceptable level (Risk Appetite) by focusing on the risk management culture in the organization as a guideline for risk management. The Risk Management Committee has established the risk management policy with following details:

Risk Management Policy

1. The Company operates business under acceptable risk to achieve the Company's objective and satisfy the stakeholder's expectation.
2. Risk management is determined as part of annual plan preparation.
3. The duty of every executive and employee is to take responsibility for identifying and assessing the risk of his/her own responsible work unit, and define appropriate measure for contingent risk management.
4. Risks that affect all of the Company's objective attainment shall be executed as follows.
 1. Timely identify risks such as type, significance level, corrective guideline, person in charge, etc.
 2. Assess the opportunity of risk occurrence and impact from such incidence occurrence.
 3. Manage risk to be consistent with the criteria of risk management under concern on related expense and gained benefit.
 4. Monitor, supervise and assess to ensure that the Company's risks are properly managed.
5. Risks that may entirely affect business plan and strategy of the Company in various areas in high and very high level shall be reported to the Executive Committee, Risk Management Committee, Audit Committee and the Board of Directors for acknowledgement.

Structure of Corporate Risk Management



Economics Risk

- Risk from Raw Material Storage

In the fiscal year of 2019 and the fiscal year of 2020, the Company's proportion of particle board purchase was 27.75% and 37.90% of total raw material orders, respectively. In 2020, the proportion was higher when comparing to 2019, because since the third quarter, the manufacturers have increased the prices of particle boards by 7% to 10% depending on the type of timber ordered. So, since the fourth quarter of 2020, the Company's purchase amount of particle boards was increased.

The Company enters none of sales agreements with any specific raw material suppliers, and may expose to risk from supply of raw materials if the suppliers fail to sell sufficient raw materials to the Company or suspend selling raw materials to the Company. However, the Company realizes on such risk issue, and prevents risk from acquisition of raw materials by continuous ordering raw materials from seven major suppliers with production potential and maintaining good relationship with the suppliers of raw materials for long time. More than 80% of its major suppliers of raw materials have sold raw materials to the Company for long time over than ten years.

- Risk from Fluctuation of Exchange Rate

Term payment of product cost for the Company's product distribution to overseas customers is in USD currency. In the accounting years of 2019 and 2020, the ratio of the Company's distribution to foreign countries was 56.34% and 62.79%, respectively. Moreover, the Company imported raw materials from foreign countries to produce surface papers and ordered furnitures to distribute in showrooms. In accounting years of 2019 and 2020, the ratio of the said material ordering to gross material ordering value was 2.84 % and 3.89% respectively. Therefore, the risk of exchange rate fluctuation has been unavoidable, possibly affecting net profit of the Company. However, the Company has prepared financial instrument for hedging such potential risk. On 31st December 2020, the Company has been granted for the line of forward contract of foreign currency with a financial institution in Thailand about 0.05 million US dollars or 1.55 million Baht in total to reduce a certain level of the impact from such potential fluctuation of exchange rate in the future. However, the Company established the policy to adequately use the line of forward contract of foreign currency for value level deemed to be adequate for hedging. The line of forward contract of foreign currency is not used for speculation utilization from exchange rate at all.

- Risk of More Attention to Eco-friendly Products

Due to more attention or concern on the environment of people in society at present, this is a good sign of awareness on environmental conservation guidelines, however, in terms of business operations, the Company has also realized the importance of this issue by conducting the production, the disposal of waste materials from the production process as well as the process of product delivery to customers. The Company has continued to plan better development of this issue in the future to show the guideline of ongoing awareness and prioritization on environment.

- Risk from Industrial Competition

In all type of furniture manufacturing businesses including distributors of Thai furniture products, the value is currently at 115,442 million baht with over 4,800 entrepreneurs. For 2020, there have currently been 5 major manufacturers and distributors of Thailand (excluding the Company). Comparing the group of target customers of these four major entrepreneurs, we found that the group of target customers are different from the group of customers of the Company. It was to say that two entrepreneurs operate furniture retail stores, and distribute under their brand names to their end-users. Another one entrepreneur offers comprehensive furniture products covering almost all categories of furniture and distribute them through showrooms and customers of the real estate projects. The other one mainly focuses on manufacture of a made-to-order furniture ordered by only one main customer. Therefore, these four entrepreneurs are not our direct competitors as they have different group of target customers. If considering on the manufacturers and distributors of furnitures that have hypermarket stores as the group of customers like the Company, the products of the existing four manufacturers and distributors are made from medium and smaller factories with limited purchase order acceptance capacity. None of any entrepreneurs have generated sales volume approximate to sales volume of the Company. Regarding foreign competitors, only single entrepreneur, namely HEVEA PAC Malaysia SDB BHD from

Malaysia, that operates the similar business as the Company and has the same group of target customers. However, with good buyer relationship creation and emphasis on product quality together with manufacture that can fulfill customer needs based on the needed quantity, resulting in the continuous product ordering of most overseas customers with the Company for long time over ten years. However, the Company realizes on the strength of the foreign competitors. The key competitors are the group of manufacturing factories in Malaysia and Vietnam. Malaysia is advantageous by focusing on made-to-order production, and mass production and sales using modern technology to support production process, under low labor and transportation cost. In meanwhile, Vietnam also focuses on made-to-order production under low labor cost. However, its weakness is the reliance of raw materials imported from foreign countries. The Company can create our advantages through proper awareness on building standpoint of the Company's products by ongoing monitoring the changing consumer behavior trend, and adapting toward the product manufacturing pattern that supports such needs, seeking ways to continuously minimize costs and expenses, including finding channels to create added value for products in order to be competitive with advantages on many areas compared to competitors.

Additionally, in 2020, the COVID-19 situation provided the Company with opportunities from customers in Japan, one of existing main customers of the Company, in continuously getting more orders, because more people live at homes during COVID-19 situation, resulting in very high sales of furniture in Japan. The company has also continuously received orders in 2021.

Social Risk

- Risk of labor shortage

The Company operates the manufacturing and distributing business of furnitures and surface papers. The production labor is considered as key factor. As of December 31, 2020, the Company has had total of 1,259 employees classifying into 270 full-time employees and 1,052 daily-waged employees. Approximate 83.56% of total daily-waged employees are in factory/production department. The large number of labor will affect production cost and competitiveness of the business. During the year, there is always a turnover and the Company's expansion of the production process, possibly resulting in increase/decrease in labor turnover until the production capacity may be affected in some periods. Being aware of such risk issue, the Company has formulated guideline for preventing risk of labor shortage, and it has previously never confronted this problem. In addition, the Company has planned to improve its production lines by importing sophisticated machines to continuously and increasingly ensure automatic system in production process, contributing to reduction of the potential impact of labor shortage to some extent.

- Risk of Community Acceptance

The Company aims to conduct the business under the principles of good corporate governance for efficient operations to meet the needs of all stakeholder groups, including society, communities and the environment which is one of stakeholders valued by the Company. The Company is fully aware that if the Company's business is not accepted by society and communities, it will affect the production process, the corporate image and ultimately sales volume. The Company therefore manages this risk by creating the understanding with the community, meeting, inquiring, as well as participating in various activities within the community, resulting in none of conflicts with the community for the Company's past operations.

Environmental Risk

- Natural Disaster Risk

The natural disasters are caused by climate change which will mostly affect the business in all industries, including the Company's furniture production and distribution. The Company has managed the said risk by applying the insurances such as fire insurance, flood insurance including income loss insurance, etc., in order to alleviate the impacts if such event occurs. In addition, the Company has sought the ways to reduce pollution from business operations that affect climate change, such as the use of resources to maximize efficiency under the concept of circular economy, electricity generation by using solar energy to be used in the production process within the factory, etc.

In 2020, the industrial sector is mostly affected by the outbreak of COVID-19 which affects all industries including living under such uncontrollable risk. Although the vaccine against COVID-19 has been manufactured and supplied, it is in the early stage and we have to wait and see for possible side effects from the vaccine in near future. However, the situation of COVID-19 affected the Company in the first quarter and they situation has been relaxed in the middle of the second quarter, due to higher orders since the end of the second quarter, the Company has realized in finding solutions to reduce our dependence on any specific customer group and planned to increase our distribution channels by serious acceleration in development for expanding more efficient online distribution channels.

- Risk of More Energy Usage

Since the Company is a manufacturer and distributor of furniture, we therefore are necessary to have a factory for furniture production, we have two factories for the production of furniture, located in Klaeng District and Wang Chan District, Rayong Province. The furniture manufacturing process demands energy as main resource to run machines and use for lighting in the financial building such as electricity, etc. In addition to rely on energy, it is also the main cost of production, therefore, the Company has managed the risk on such issues by installing solar rooftop panels at the factory located in Klaeng District with a capacity of 998.40 kWhDC to use solar power in the production process in factory, helping reduce electricity costs. In 2020, the Company reduced its purchase of electricity from government agencies, and use rooftop solar power instead, accounting for 16.73% of total electricity used in production inside the factory in Klaeng District. At present, we are planning to install solar panels on the rooftop of factory in Wang Chan District.

- Risk of Pollution from Production Process

The Company could not avoid the occurrence of various pollutions including dust, smoke, noise, etc., however, the Company has a process to oversee every steps of production process to minimize the negative impact on the stakeholders, for example, the Company uses a vacuum with bag filter, and these dust will be collected and sold to third parties to be used as raw materials in plywood production, including paint residues which is the paint leftover from the use in the production process. In the past, the Company would take all this waste for landfill within the area provided by the factory. However, at present the Company has a method for filtering the paint residues so that it can be reused as raw materials based on the condition that the paint must be good quality in order to get quality work pieces and meet the standards set by the Company. In addition to reducing the destruction of the environment, this also helps in reducing the cost of production for the Company.

Performance on Quality Economy

Creating economic sustainability

Creating economic sustainability within the company itself. Considered an important part of the country's sustainable development because the business operations of the company are all impacted both positively and negatively to the stakeholders. The company therefore places great importance on the economic operation. By focusing on effective cost management increase the production process including creating revenue growth and good returns to the stakeholders of the company and also for the ability to manage satisfaction of stakeholders to achieve balance and sustainability continue.

The situation of COVID-19 outbreak in 2020 has affected all business sectors including our furniture business, the lockdown measure ordered by the government in the countries where our customers are located, resulted in our failure to export to some partners from the first quarter to the middle of the second quarter. However, the Company's export has been resumed as usual since the end of the second quarter, making our overall revenue in 2020 having increasing growth rate more than 9.66% compared to 2019, even under the situation of COVID-19. Nevertheless, as a result of this incident, the Company has realized the importance of developing more online distribution channels.

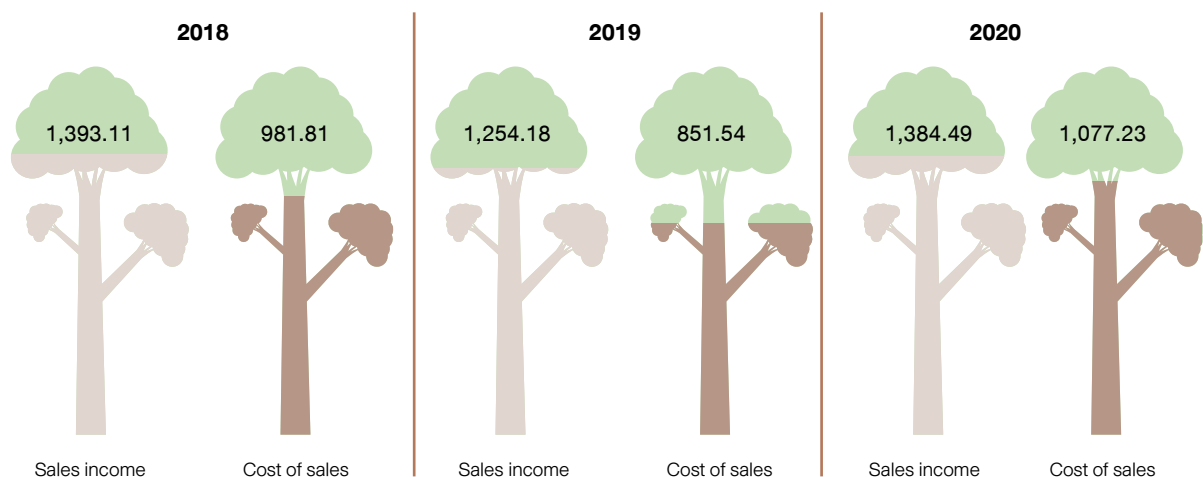
Market conditions and entrepreneurs in furniture industry

The market value of furniture industry is approximately 90,000 million baht, based on the data as of July 2020, there are 2,959 entrepreneurs in the furniture manufacturing category, divided into 2,821 small-sized entrepreneurs or representing 95%, 106 medium-sized entrepreneurs, or representing 4%, and 32 large-scale entrepreneurs or representing 1%. Considering the revenues of the top 5 listed companies in furniture industry in the first half of 2020, the Company was ranked in the third among these 5 companies.

1. Performance financial for the year 2020

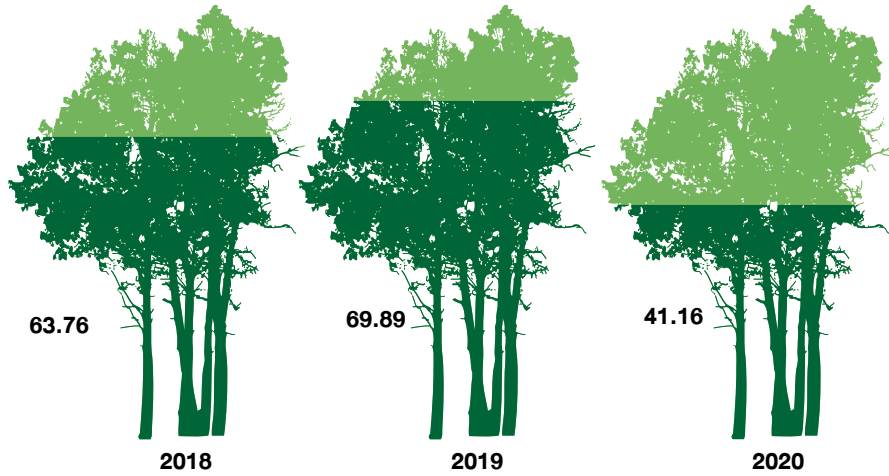
Sale income and the cost of sales

(Million baht)



Profit – Owners of the parent

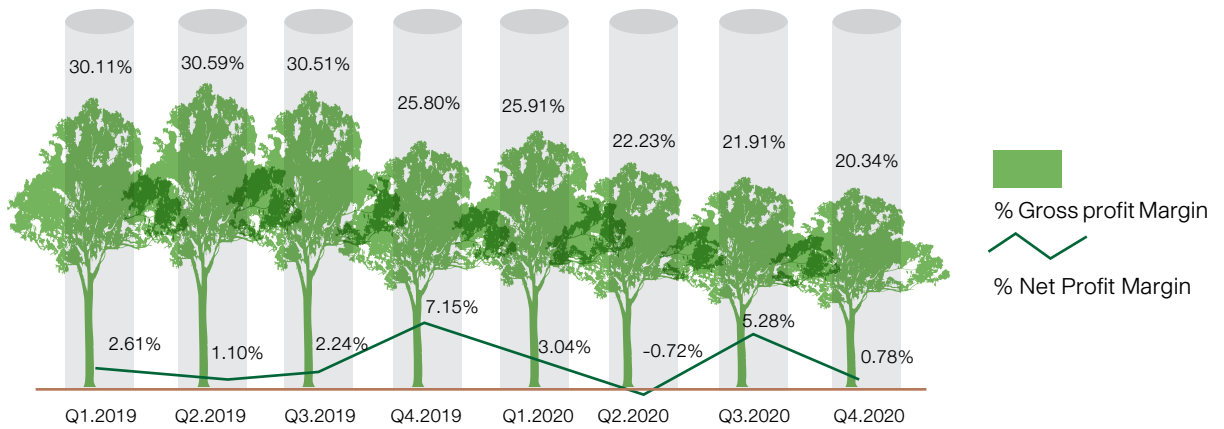
(Million Baht)



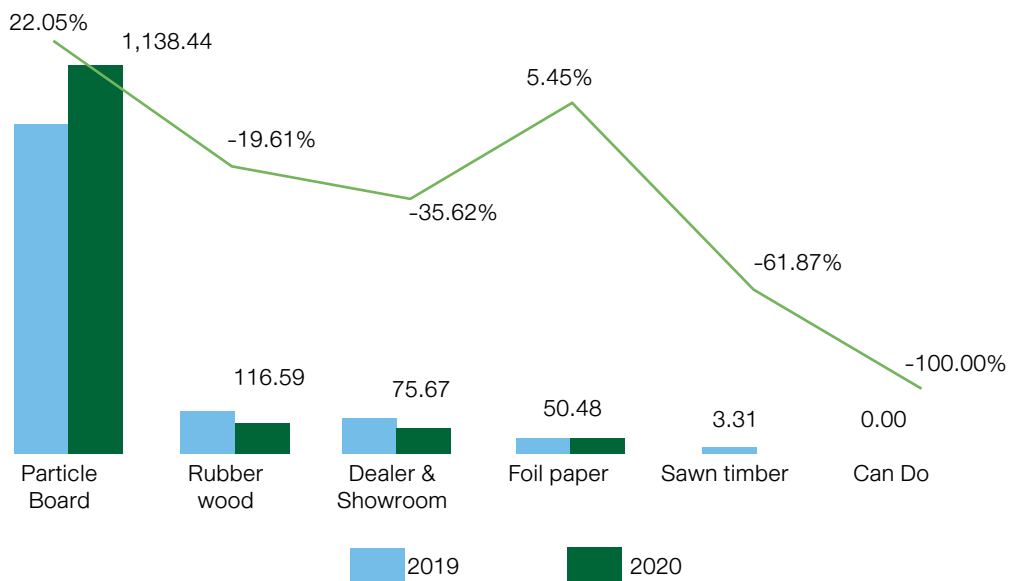
**In 2019, there was profit from selling the costa bland, it 'doesn't happen offing*

Gross profit margin and net profit margin

(Percentage)

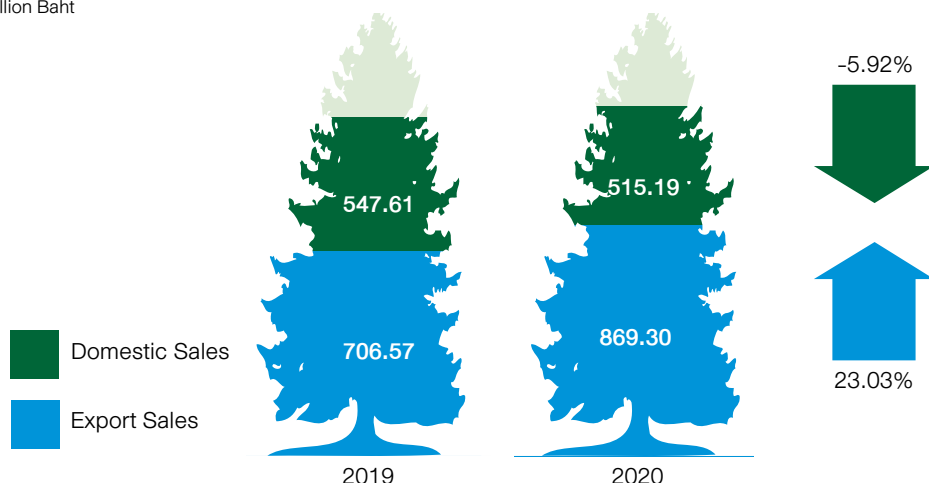


Compare data and proportion Classified by product type



The proportion of income between domestic sales and exports sales

Million Baht



The value of ECF’s export to Japan in Thai Baht currency was slightly lower than in 2019, or 2.14% (total export value was 629.36 million baht in 2020).

Based on the data from the Center of Trade Statistics, Ministry of Commerce, it was found that for the export value in 2020 in USD currency,

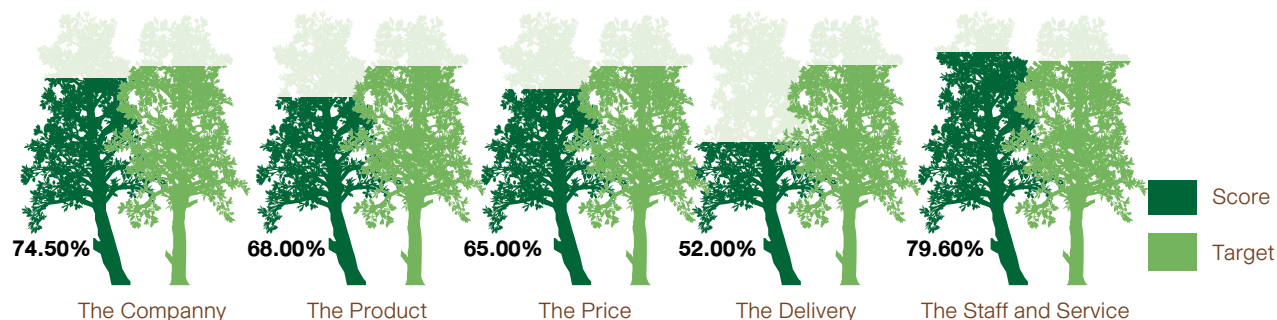
1. The export volume of wooden furniture grew by 32.17% compared to same period of last year;
2. The export of furniture and parts to Japan in USD currency was decreased by 14.46%, in line with the Company’s slight decline in exporting to Japan;
3. However, in 2020, the Company’s export revenues to USA, India and China grew by leaps and bounds at 658.47%, 421.16% and 251.71%, respectively, compared to previous year.

Value distribution to stakeholders

Value distribution to stakeholders		
Value distribution to shareholders Dividend payment of 12 Million Baht.	Personnel investment Employee compensation 239.74 million baht Training fee Seminar 0.40 million baht Directors’ remuneration 3.78 million baht	Economic value Create cost and expenditure for circulation in the economy 1,291.20 million baht Tax paid to the government 13.80 million baht

The Survey Result of 2020 Customers satisfy action visit the company

Aiming to know the Company’s efficiency in customer care, we have designed a product & service satisfaction survey by



dividing questions into 5 sections as follows

1. Satisfaction with the Company’s overview
2. Satisfaction in the Company’s products
3. Appropriateness of product’s prices
4. Satisfaction on the transportation
5. Satisfaction on employee services

Based on the survey results, it was found that our customers provide the highest satisfaction on employee services, representing

79.60%, followed by the Company's overview, representing 74.50%, while satisfaction in the Company's products, appropriateness of product's prices and transportation represent 68.00%, 65.00% and 52.00%, respectively. The Company set the targets to develop products and services, and to facilitate customers for continuously increasing customer satisfaction.

Goals of Customer Satisfaction Survey

Objective: To be another channel for communication, listening to customers' opinions to apply feedbacks as part of the product and service development for meeting the needs of customers.

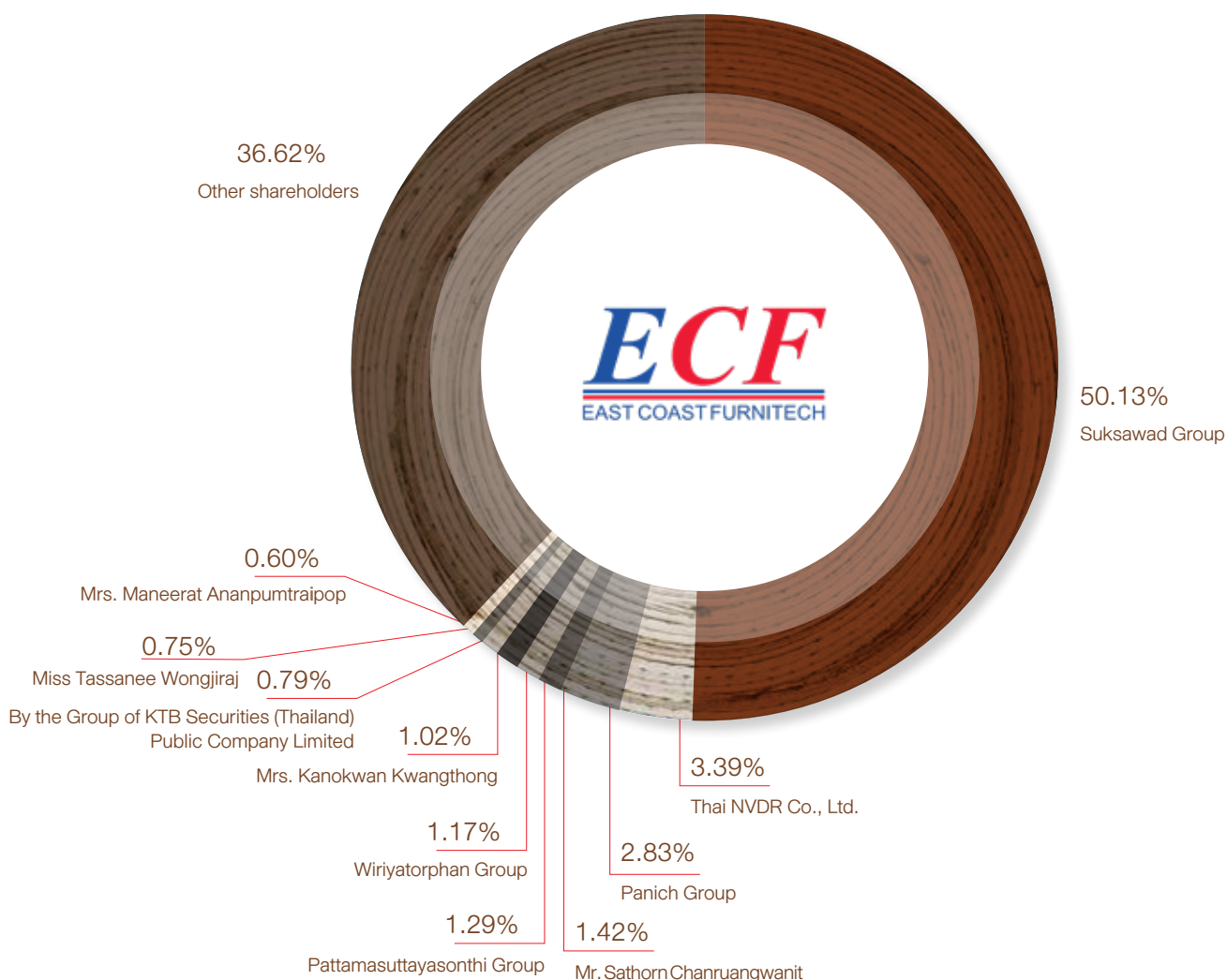
Benefits to customers: a channel to express opinions for obtaining better products and services.

Benefits to the Company: directly learning customers' suggestions to apply such information as a guideline for the development of the Company's products and services to create strengths of the Company's products for competitiveness in the market.

Goals : The target score set by the Company for each topic is minimum 70% for the year of 2020, topics with an average score lower than the set target are: satisfaction on the transportation, appropriateness of product's prices, and satisfaction in the Company's products, getting scores of 52%, 65% and 68%, respectively. The Company is under the process of finding approaches to manage and improve various areas to ensure appropriate and cost-effective quality of products and services to meet customer needs and achieve the goals set by the Company.

2. Shareholding information

As at December 31, 2020, with a total of 4,241 minority shareholders.



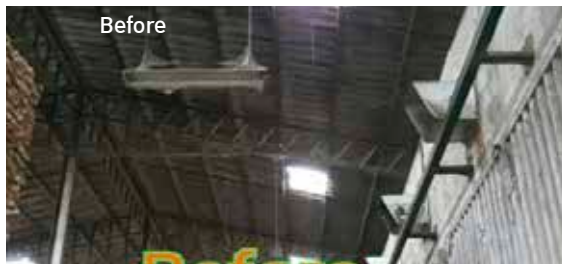
3. Application of KAIZEN system for operation

The Company focuses on advancement for developing a production innovation to ensure an efficient production cost management. In the Innovation Day Project, all staffs are given the opportunity to propose a work method or working guideline that can reduce a procedure, save time, and reduce cost. However, it is important that quality is remained maintained. In proposing the said concept, the Company has motivated by taking as part of the consideration on the remuneration for the staff who initiates the project that contributes to the Company's cost management.

Sample of the operating results

1. Steam exit direction control in wood storage room.

The Company manages steam exit direction control system to prevent the exited steam to expose to the dried woods, resulting in a reduction in the selection and moisture checking time for the staff as a reduction of work procedure, and an increasing number of the Company's quality woods.



2. Change in pattern of the furniture parts in assembly

The Company has changed its assembly pattern for manufacturing chairs by improving the quality of pivot milling machine to ensure a more efficient usability instead of a use of hammering labor, resulting in the Company's ability to reduce a chair assembly procedure as follows.

Before Changing	After Changing
1. Wood Cutting Procedure for Producing Work Pieces	1. Pivot Milling Procedure
2. Wood Drilling Procedure	2. Work Piece Assembly Procedure
3. Pivot Hammering Procedure	
4. Assembly Procedure	

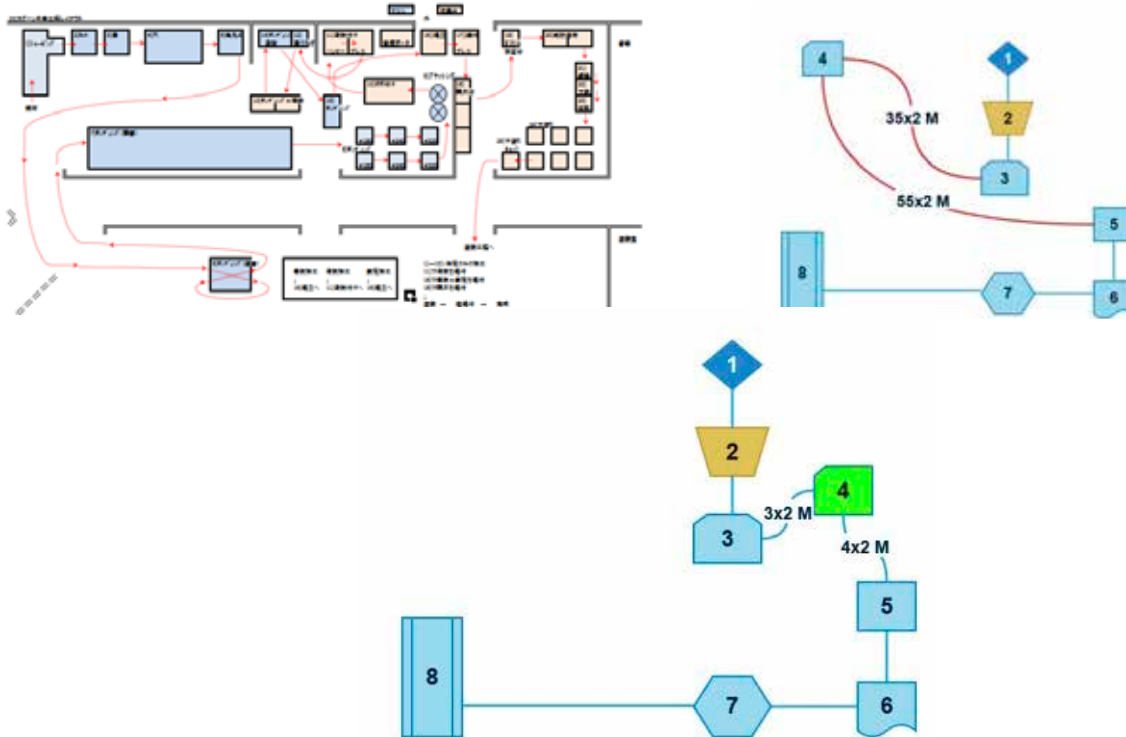
Consequences

- Decrease in purchase of 10*40 mm sized and 10*35 mm sized pivots for 3,600 pieces/450 chairs and the Company's ability to reduce its expenses, for instance:
8 Pivots are used for 1 Chair and the unit price of pivot is around 0.13 baht ($3,600 * 0.13 = 468$ or around 460 baht). $460 * 27 = 12,420$ baht/month. In 1 year period, expense can be saved for 149,040 baht.
- Decrease in the pivot hammering labor by 1 person
whereas a monthly expense of labor cost of 330 baht/day*27 days equaling to 8,910 baht/month can be reduced. In 1 year period, an expense can be saved for 106,920 Baht. From the said process, the Company can reduce a production cost for 258,552 baht/year.



3. Re-positioning of machine layout

Work flow has been re-organized to ensure that the staffs can decrease a walking distance previously from a distance of 180 meter that 4 minute period has been taken. The machine layout has been changed and re-positioned, resulting in a decrease in distance to be remained at 14 meter that around 1 minute period has been taken. Therefore, the staffs can manufacture an increasing number of work pieces.



4. Skill development

The Company has established a guideline for organizing a regular skill development training to promote the operating skills of the staffs, and also reduce the production cost of some types of furniture parts which have been previously ordered from the Company's business partners. However, these work pieces can be manufactured by labor that has been trained for skill development. The Company can manufacture the chair cushions, resulting in a decrease in ordering expense and error from manufacturing the wrong sized parts.



5. Reduction in the quantity of paint used in manufacturing work pieces

The Company has mutually developed a paint formula with a business partner, resulting in quality paints or called Top High loss, and built a paint drying tunnel for work pieces for faster drying to reduce time and scratches in work pieces. However, the drying period for work pieces can be reduced to 30 minutes which are faster than before that time of around 50 minutes. In addition, the problem in the matter of scratch in work pieces can be decreased from before that scratches will occur in paint baking for work pieces up to 30% but after the method adjustment, the scratch problem in work pieces has been remained for just 5% only.

Based on above data, it is a part of concepts or projects involved by employees in the development, and at present, the Company has continued to implement such concepts to other functions and also planned to further develop for good production cost management, time management, and still maintain the good quality of the products.





Performance on Quality Society

Social Responsibility Policy

East Coast Furnitech Public Company Limited and its subsidiaries (the “Company”) are committed to conduct its businesses with responsibility to society, the environment, and communities in various areas, both within or outside the premise where the Company conducts business, either directly or indirectly, by focusing on the participation in the development of these communities to be strong because the Company has believed that **“Strong Community will make the Company Stable”**. However, the Company’s business operations are under the principles of good corporate governance with transparency, verifiability, compliance with relevant laws and regulations, as well as morality, ethics, respect to human rights principles, impacts on society, environment, communities, including the benefits of stakeholders. The Company therefore has established the social responsibility policy as a framework for business operations as follows:

1. Commit to develop the Company’s businesses to steadily and sustainably grow along with taking into account the impact on society, environment and community.
2. Conduct social responsibility activities by focusing on the participation and support to communities, public and private organizations that have direct and indirect interests in the Company’s business operations.
3. Support the participation of the Company’s employees and embed them the values in public consciousness for corporate culture creation.
4. Operate and pay attention to the importance of working safety and environmental management to minimize the impacts on society, environment and community.
5. Apply the knowledge, experience and expertise of the Company’s personnel and support equipment and tools to help and develop society environment and community.
6. Seeking for an opportunity to create space either inside or outside the Company for public benefit, or an opportunity to improve the quality of life for nearby communities.



Performance on Quality Society

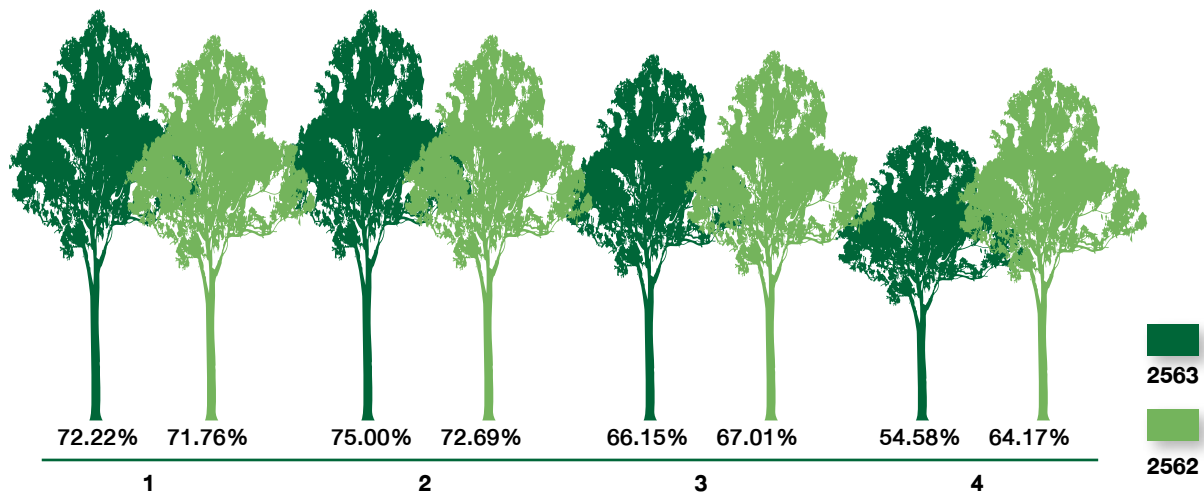
Performance on Employees

The Company has believed that “personnel” is the key for competitiveness and is one of important resources for driving the organization to sustainably grow. The focuses on strengthening the happy organization where everyone could efficiently work with a supportive environment that encourages innovation and the engagement of personnel with the organization are very significant challenges for the organization at the present. The Company has guidelines to respond the way to enhance the happy organization for corporate sustainability and continuous business growth as follows:

1. The Survey Result of 2020 Employee’s Engagement to the Company

The Company has realized the importance of employees, therefore, allowed all employees to participate in expressing their opinions for the benefits in developing the sustainability for both employees and the Company, as following summary:

the Survey Result of 2020 Employee’s engagement to the Company



1. Corporate Image and Communication in the Organization
2. Supervisor and Colleagues
3. Role, Duty and Responsibility Remuneration and Evaluation
4. Growth Opportunity Quality of Life and Work Stability

Based on the results of survey on Employee Engagement in 2020, it was found that the overall average was 68.13%, closely similar to the year of 2019 at 68.15%. The topic with the highest score is Topic 2. Supervisors and Collaboration with Colleagues at 75.00%, higher than average score in 2019 at 72.69%, and the topic with the lowest average score was Topic 4. Growth Opportunity, Quality of Life and Stability, at 54.58%, lower than the year of 2019 at 64.17%. However, in 2020, the Company carefully controlled its expenses and spending, adjusted job positions in line with the amount of work responsible for planning the prevention of risks that may be affected by the outbreak of COVID-19 which is likely to be increased in the future with the objectives to make the whole organization survival by preventing from the problems of wage, salary and compensation reduction, or termination of employment. However, for any reason, the Company will provide guidance for the development and improvement in the said areas to create opportunities for growth, quality of life, and to provide various training courses for employees for the development of their potentials in their better working efficiency.

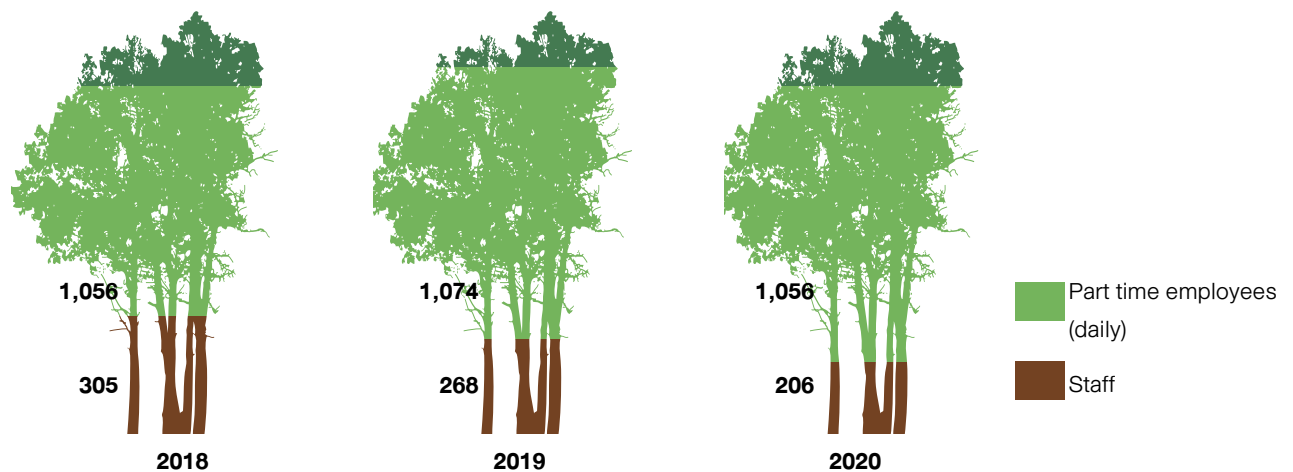
Target of Corporate Engagement Survey

Objective : To provide the opportunity to the Company's employees to independently express their opinions or comment or communicate information as a guideline for jointly developing the Company.

Benefits for employees: Have more channels to independently express their opinions.

Benefits for the Company: Being provided of recommendations from all employees to apply the said information as a guideline for the development of the Company, building relationships and developing employees for stable growth of the organization.

Target: The target of total average score set by the Company is 70%. In 2020, the total average score was 68.13%, lower than the given target. The Company is looking for ways to manage in various aspects in order to balance both employees and the Company.



*Details of the number of employees disclosed in the Company's 2020 Annual Report

In 2020, the Company has restructured works to be in line with the workload available in each department, and with the aim to reduce labors in production lines to prepare and adjust ourselves according to the plan to reduce the dependence on labors and replace more machines than ever, as a result, in 2020, the number of employees was decreased from 1,342 people in 2019, to be 1,262 people in 2020, decreasing 80 people or 6.34% compared to 2019.

The Respect on Human Rights

The Human Rights means the basic rights that all humans are supported or protected from being discriminated, just because of the differences in terms of physical, mental, race, nationality, religion, sex, language, age, skin color, education, social status or any others as prescribed by each country's law.

The Company becomes aware of human rights principles, therefore, set up the following guidelines:

1. Respect the human rights without the classification of hometown, race, sex, age, skin color, religion, status, family, education or any other status that is not relevant and affecting the operations by honoring each other and treating each other with equality.
2. All employees shall be protected in terms of safety at work, clean, safe and hygienic workplace
3. Employees are granted of the political liberty and rights but they shall not use the position they hold or the Company's properties, equipment or tools for political purpose, we have the policy of political neutrality, we shall neither sponsor, or support specific political parties.
4. The Company shall solve any potential conflict based on rule of law
5. The Company shall not conduct our business that involves child labor abuse. All employees shall be at least 18 years of age.
6. The payment of labor wages and compensation is based on fairness. Every year, the Company shall organize an annual meeting in which the employees shall hear the annual policy, including ideas, working principles, living principles from the Company's executives, and many activities will be conducted to strengthen and promote the love and harmony in the workplace.

7. The respect on human rights is always monitored and any act that is in the scope of human rights violation related to the Company's operations will not be disregarded or ignored. When any employee noticed such act, he/she has to report to his/her head or the person in charge to acknowledge and also gives his/her cooperation to investigate facts. If having any questions or inquiries, employees should consult with their head or the person in charge through designated channels.
8. Any person violating the human rights is considered to violate the Company's Code of Ethics and must be considered of disciplinary punishment according to the Company's regulations. In addition, that person may be punished by law if such action is illegal.

Until now, the Company has never received any complaint regarding human rights violation.

Employee's Compensation and Welfare Policy

The Company has a policy to consider the compensation for employees and workers mainly based on the growth rate of the annual performance, then, consider the increase ratio of compensation to cover the annual inflation and finally, consider the individual increase based on the level of diligence, intention, dedication and ability to perform duties. From the above-mentioned considerations, all is based on the principle of fairness to maintain and motivate employees to work for continuous effectiveness and efficiency.

Operational Guidelines

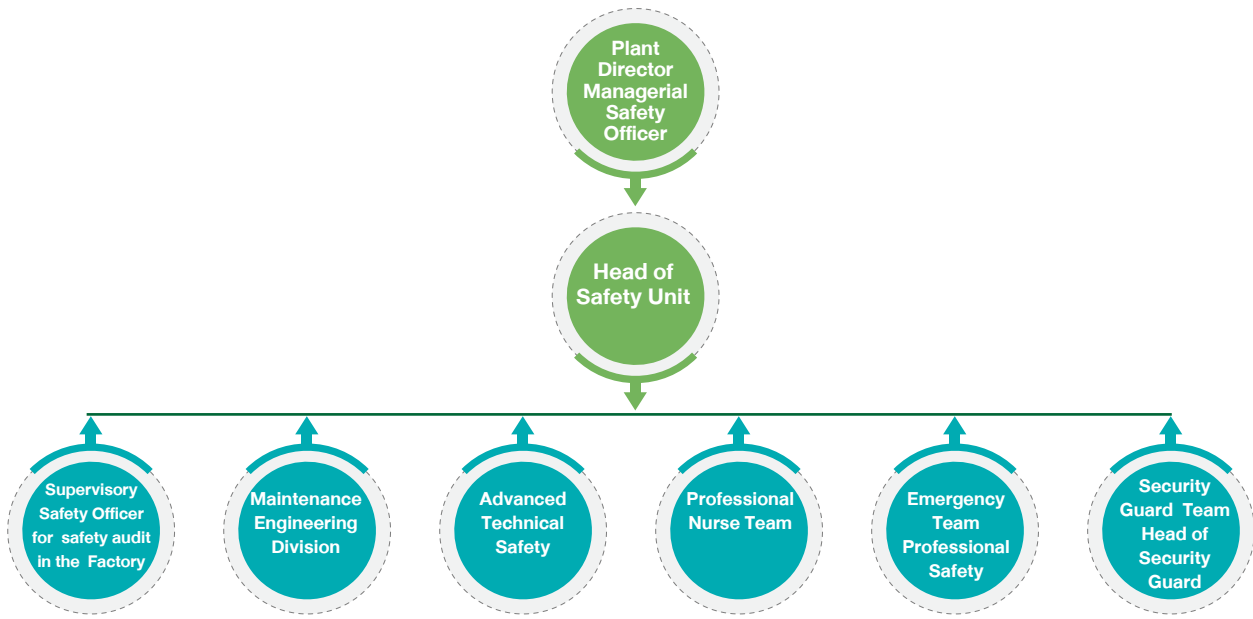
1. The Company has assessed wages based on the appropriateness of each job position and the amount of works to be assigned, guideline for developing work methods for better efficiency, actual success of works, etc.
2. The Company has established a clear performance appraisal system for providing employees with fairness by using corporate KPIs as indicators.

Basic Right Gained by Employees	Employee-Classified Welfare		
	Full Time Employees	Full Contract Employees	Probation Employees
Salary	/	/	/
Overtime Pay	/	/	/
Holiday	/	/	/
Leave (sick leave, personal affairs leave)	/	/	/
Medical fee (health insurance)	/	/	
Annual health Examination	/	/	
Assistance to the Casualty or Sick Employee due to working for the Company	/	/	/
Provident Fund	/	/	
Employee Uniform (particularly for three shirts per year)	/	/	
Child Scholarship	/		
Funeral Allowance	/	/	/
Expense of Patient Gift	/	/	/
Discount of Product Price for Employee	/	/	
Domestic Travelling Expense and Oversea Travelling Expense due to the operation of the company	/	/	/

Safety, Occupational Health and Working Environment Policy

1. The Company shall strictly observe rules, regulations, announcements, orders and standards of safety, occupational health and working environment as prescribed by the official.
2. The Company shall support and promote safety, occupational health and working environment, and arrange adequate and appropriate budget.
3. The Company shall continuously promote safety by arranging training, providing knowledge, reviewing and drilling, as well as organizing activity in various forms for safety awareness creation to the employee to be prepared all the time.
4. The Company shall prepare and supply effective personal protective device for use of the employee and wear for protection based on appropriateness for nature and operation of the employee.
5. The Company pays attention, surveys and monitors safety issue and strict the employee to observe the rule of the Company's safety as well as strictly looks after and controls the employee to wear and use protective devices as determined by the Company.
6. The Company shall always improve and develop internal environment of the Company and workplace and cleanliness around the Company's area for safety and good and hygiene environment, leading to quality of work life and good health of the employee all together.
7. The Company gives precedence to the collaboration of the employee in observance of rule related to safety, occupational health and environment, and success of accident prevention whereas the said collaboration shall be deemed as a factor of performance assessment.
8. The Company deems that work safety as well as proper operating method is the duty of the employee and supervisor in every level that must be practiced and responsible.
9. The Company deems that every employee participates in accident prevention and environmental preservation. The Company is glad to accept suggestion and opinion of the employee and take them for consideration as well as improvement and correction of faults as appropriate for safety to the employee as much as possible.
10. In the event that the employee gets occupational accident, the Company shall take care and consider assisting the employee who gets accident to be able to properly live.

Structure of Safety, occupational health and working environment Unit



Summary of Number of Occupational Accidents for 2019 – 2020

Severity/Damage	Treatment					
	Number of Times		First-Aid		Referral to Hospital	
	2019	2020	2019	2020	2019	2020
Insignificantly Injured (No Day Off)	5	-	5	-	-	-
Injured (Day Off)	14	6	14	3	14	3
Total	19	6	19	3	14	3

Based on the data shown in above table, it could be seen that the Company can significantly reduce the violence and damages from work-related accidents in 2020, or 68.42%, as a result from strict safety in production processes, and other areas in the organization to prevent and decrease the accidents from working.

Safety promotion activities

The Company has maintained working environment that is safe for life and properties of its employees, customers and visitors by improving and checking both fire and water protection systems on a regular basis, an engineer team who has been trained and registered as inspectors of buildings and equipment is also hired to inspect, supervise and control operations in accordance with legal requirements. This engineer team is mainly responsible for inspecting the building's stability, electrical system, air-conditioning system, hygiene and environment system, fire protection and suppression system, building safety management system, and annually checking the performance of building equipment. The Company has usually organized first aid and life-saving trainings for employees on a regular basis, however, under the situation of COVID-19 outbreak, the Company did not organize such trainings in 2020.

Fire Training




Employee Health

The Company gives precedence to health care of the employee since good health is the significant factor that the employee can effectively perform his or her responsible duty. The Company has arranged for medical examination such as annual medical examination service and vaccination service, etc.



Policy to control and prevent the spread of COVID-19

Under the situation of COVID-19 outbreak, the Company has taken following measures:




EAST COAST FURNITECH PUBLIC COMPANY LIMITED
37/9 Moo 10, Bangbueng-Klaeng Rd., T.Thangkwan
A.Klaeng Rayong 21110 Thailand.
Tel : (66) 38-886-372-4 Fax : (66) 38-678-220
WWW.ECF-FURNITURE.COM

บริษัท อีสต์โคสต์เฟอร์นิเจอร์ จำกัด (มหาชน)
37/9 หมู่ 10 ถนนบ้านค้อ-คลอง ตำบลบางคูเวียง
อำเภอแกลง จังหวัดระยอง 21110
โทร : 038-886-372-4 แฟกซ์ : 038-678-220
WWW.ELEGATHAI.COM


ประกาศมาตรการ "ป้องกัน COVID -19"

บริษัท อีสต์โคสต์เฟอร์นิเจอร์ จำกัด(มหาชน) มีมาตรการควบคุมการแพร่ระบาด
ไวรัส COVID-19 ดังนี้ขอความร่วมมือพนักงานที่เข้าออกโรงงานทุกคนปฏิบัติงาน ดังนี้


1. ให้ทุกคนในโรงงานสวมหน้ากากอนามัยเพื่อป้องกันการแพร่ระบาด
1. **งดพบปะพูดคุยในที่สาธารณะทุกที่ห้ามมาเยี่ยมเยียนโรงงานทุกจุด**




2. บุคคลใดที่มีอุณหภูมิร่างกายเกิน 37.5 °C ไม่อนุญาตให้เข้าภายในบริเวณโรงงาน
2. **บุคคลใดที่มีอุณหภูมิร่างกายเกิน 37.5 C ให้ออกมาพักผ่อนจนอุณหภูมิปกติ**



3. ให้พนักงานหมั่นล้างมือด้วยสบู่หรือเจลล้างมือ เพื่อป้องกันการแพร่กระจาย
3. **งดพบปะพูดคุยในที่สาธารณะทุกจุด**



4. ถ้าพนักงานไปประเทศกลุ่มเสี่ยงหรือที่มีเหตุที่ต้องไปต่างประเทศกลุ่มเสี่ยง
ให้ทำการพักกักตัวที่บ้าน 14 วัน หากไม่แจ้งให้โรงงานทราบถือว่าผิดกฎระเบียบของบริษัท
4. **ปฏิเสธไม่รับผู้ใดที่มาจากประเทศกลุ่มเสี่ยง**



ทั้งนี้เพื่อความปลอดภัย ขอให้พนักงานทุกคนให้ความร่วมมือในการปฏิบัติตามที่กล่าวมาข้างต้น
ขอเชิญผู้โดยสาร ผู้โดยสารที่มาจากต่างประเทศทุกคนงดมาเยี่ยมเยียนโรงงาน

ประกาศ ณ วันที่ 4 มีนาคม 2563
ฝ่ายบุคคล บริษัทอีสต์โคสต์เฟอร์นิเจอร์ จำกัด (มหาชน)

The Company has prepared a manual of Covid-19 prevention measures as a guideline for the Company's personnel including a guideline for relevant parties such as business partners, customers, etc.

Workplace arrangements to prevent from the exposure of Covid-19

All employees are required to wear a surgical mask or fabric mask all the time when they are in the factory premise.



Establish screening measures by requiring everyone including employees, business partners, customers and visitors, to check temperature and wash hands with liquid soap, cleaning solution or alcohol gel before entering the factory premise.



Actions to be taken when having found any infected person or employees infected with Covid-9

When being notified that any employee contacts a confirmed case

Exposed person is defined as a person who has participated in any activity with a confirmed case or suspected case, divided into 2 groups as follows:

1. Close Contact is a person who is exposed to any confirmed case during 14 days before any sickness symptom is appeared.
2. Risk Contact is a person who is exposed to any confirmed case on the date showing sickness symptom, divided into high risk contact and low risk contact.

High Risk Contact is defined as a person with high-risk exposure of a conveyance with a confirmed case consisting of following contacts:

- Touch the body of patient or talk with the patient in close proximity of 1 meter for more than 5 minutes, or be coughed or sneezed on by the patient without protection such as without wearing a mask;
- Staying in the same close environment of a COVID-19 patient such as air-conditioning vehicle, air-conditioning room, etc. and in proximity of not more than 1 meter for 15 minutes without protection.

After surveying and found that any employee was under such scopes is required to take leaves and stay at home for symptom observation for 14 days after being exposed of infection source or patient, follow the instructions of Home Quarantine.

When being notified that any employee becomes a confirmed case of Covid-19

When any establishment found or is notified by an employee of being a confirmed case of COVID-19, it is required to follow the Notification of the Ministry of Public Health, RE: Rules and procedures to Furnish Information Dangerous Communicable Disease and Communicable Disease Requiring Surveillance, or an Epidemic, B.E. 2560 (2017) as follows:

- Notifying a communicable disease control officer under the Department of Disease Control or a communicable disease control officer under other government agencies in central and regional zones within 3 hours since having found of any person who becomes or is reasonably suspected of being infected with Covid-19.
- The establishment should clearly assigned a designated person responsible in notifying to which agency so that the procedure will be clear, the Company may assign any nursing staff or HR staff, as deemed appropriate by the establishment with following processes:
 1. directly notifying a communicable disease control officer;
 2. notifying by phone such as Hotline of the Department of Disease Control 1422
 3. notifying by fax
 4. notifying by electronic mail;
 5. any other means as prescribed by the Director-General of the Department of Disease Control.

The criteria of notification other than those prescribed above must follow the Notification of the Ministry of Public Health RE: Rules and procedures to Furnish Information Dangerous Communicable Disease and Communicable Disease Requiring Surveillance, or an Epidemic, B.E. 2560 (2017), required details to be notified include:

1. name, address and workplace;
 2. Relationship with a person who becomes or is reasonably suspected of being confirmed case of Covid-19.
 3. name, age, gender, nationality, current address and important symptoms of a person who becomes or is reasonably suspected of being confirmed case of Covid-19.
- When having found of any probable or confirmed case of Covid-19, it is required to closely monitor Close Contact to quickly assess the symptoms and detect new confirmed cases, monitoring the Close Contact can be performed by an establishment nurse's staff, or a person with knowledge.

Personnel Development Policy,

The Company pays attention to personnel development in order to increase employees' working ability and efficiency by establishing the clear and consistent personnel development plans as an annual training plan for working skill enhancement. The employees are trained by the in-house training and the training programs organized by the related government agencies and private training institutes. In addition, the Company has also provided of welfare to employees to create employees morale and encouragement and the welfare will be continuously reviewed to improve many benefits as appropriate.

The personnel development is aimed as the important basis by the Company as follows:

1. The Company encourages directors and executives to attend the training and seminars in relevant and appropriate courses to continuously develop knowledge and understand their roles, duties and responsibilities as the Company's directors and executives.
2. Employees are participated in determining the working direction of their own department, expressing opinions and views in working to improve their works to be more efficient and effective.
3. The working atmosphere is stimulated to allow everyone to engage in the Company's success and the employee compensation is considered from the Company's overall success and individual spirit and dedication to work.
4. Employees are encouraged to create knowledge from work operation, the improved working manual is prepared to be consistent with the actual working that changes all the time.
5. Employees are encouraged to travel and attend the trade fairs both domestically and internationally to keep up with the situations of production, product development, marketing and to learn about consumer behavior that is changing all the time in order to be used in the Company's work process by updating and adapting to quickly cope with every situation in the changing furniture industry.
6. Employees are encouraged to development the Company's products by adding value for sustainable growth and continuously creating the consumers' awareness and being demanded by the consumers.
7. Employees are promoted to develop and encourage to have a working attitude to continuously create the working development and progress, such as the production process must be continuously improved, the marketing must continuously generate more revenues from selling products. The department controlling the Company's expenses must manage to continuously reduce the costs and expenses while manage to reach the maximum efficiency.

Practical Guidelines

1. Human Resources Department is responsible in assessing demands and needs for the Company' personnel development and set up an annual development plan as well as complete the budget. The personnel development plan must comply with the actual demands and needs in accordance with the Company's development plan and must be approved by the department head. Each department is required to submit the annual development plan to the Human Resources Department in advance.
2. The Human Resources Department must monitor the training plan, if there is any change or modification of the development plan, the relevant parties must be notified for acknowledgement.
3. The Human Resources Department must control the development budget to be limited within the given budget plan.
4. The Human Resources Department will perform as a training administrator, every department that will organize the training must cooperate and coordinate with the Human Resources Department in terms of date, time, venue, training materials and equipment to be used, etc.
5. The Human Resources Department is responsible for evaluating and monitoring the results of completed training courses.

In addition, the Board of Directors determined to have a succession plan for the succession preparation of Managing Director and top executives, the Nomination Committee considered and planned the policies on the succession plans to prepare the readiness in the event that any executive is unable to perform his/her duty, the succession plan will help the Company's operations to be continued and effective. The succession is planned for the positions in various functions with personnel who have knowledge, ability and experience to be able to continuously perform duties instead of the vacant positions or to promote to a higher position, as following details:

1. The executives in secondary level have the opportunities to work with high-level executives in their own working line, and to attend the meetings in assigning the policies from top executives.
2. Personnel with specific capabilities are provided of more capabilities in managing other areas to prepare themselves for higher job positions.
3. The executives in secondary level with potentials are assigned to be successors.
4. The executives in secondary level are provided of opportunities to attend the training on organizational leadership concepts, creation of consciousness in responsibility level and the honesty towards the Company as well as the guidelines for managing personnel in their own work line.
5. The executives in secondary level are developed by having the opportunities to present plans and performance results to top executives.
6. Provide the subordinate level executives having the opportunity to work with senior management in the line of work for which they are responsible, coupled with attending to the meeting at the level of policy delegation from senior management.
7. Prepare to have personnel with specialized abilities to have more than ever before in other areas of management so as to be prepared to support at a higher level of work.
8. Determine the subordinate level executives who are potentially being the work successor.
9. Open the chance to the subordinate level executives having the opportunity for conceptual training about the idea of organization's leader, the creation of responsible consciousness, the honesty to the organization including the guideline of personnel management in the line of work that they are responsible for.
10. Develop the subordinate level executives have the chance to present the strategic plan and performance directly to the senior management.

For the employee level, the Company has a policy to maintain employees with high potential by assigning policies in considering and selecting the qualified candidates to be successors and notifying those persons for acknowledgement. The plans are also prepared to maximize the scope of responsibilities, decision authority, and send them to participate in training courses that are consistent and suitable for the potential development of such persons and the future position. This plan will create the Company's confidence that the personnel are prepared their readiness to immediately replace when the position is vacant and to prevent the operational risk to smoothly support the continuous business expansion in the future.

Development of Work Skill and Knowledge and Competency

The Company has formulated the guideline for the employee skill and proficiency development as well as determination of training hours as follows:

Guideline	Method	Total Number of Hours (per year)
On-the-Job Training	Determine necessary training standard of each position and arrange the head of each work unit for employee during actual working to perceive and understand proper work method.	1. Production Unit in the Factory (not below 50 hours) 2. Marketing Unit (not below 10 hours)
In-house Training	Determine the competency-based courses under below classification. <ul style="list-style-type: none"> • Basic Course for Employee • Specific Position-Based Competency Course • Management Competency Course • Other courses 	3. Accounting – Finance Unit (not below 30 hours) 4. Human Resource Unit (not below 20 hours) 5. Company Secretary and Investor Relations Unit (not below 30 hours)
Public Training	Delivery of employee for training in the course organized by the external institution	

Overall Operation of Training for 2020

Course	Number of Training Hours
In-house Training	63
Public Training	31

Targets of Employee Training and Development

Objective: The Company considers the employees as the valuable resources and they are important to the Company's progress. Therefore, the Company commits to develop and increase the capability of all employees to grow together with the Company.

Benefits to employees : Gain more knowledge, capabilities and skills, have better work efficiency and have a good career opportunity and progress.

Benefits to the Company: The Company has better business competitiveness and create employee engagement towards the Company.

Note: Due to the prevention of Covid-19 outbreak, the Company had to reduce training activities during 2020, the Company has determine plans to continuously provide more online training activities and seminars for the development of employees' potentials

Employee Development and Care

The Company promotion of knowledge management to support Happy Work Place in order to create balance between personal life and working for organizational personnel under target of sustainable happiness creation and preparedness to share happiness into external society. The mechanism of Happy Work Place consists of happiness box in 8 respects as follows:

1. **Happy Body:** The Company campaigns the employees for health care, exercise promotion, and useful eating so that the employees are healthy with happy and joyful mind, affecting effective operation of the employees.
2. **Happy Brain:** The Company promotes the employees to always seek knowledge and develop oneself from source of learning and opportunities, leading to skill development and affecting job progress. The Company also regularly organizes training course for the employee.
3. **Happy Family:** The Company foresees the significance of the family institution. When the employee has warm and secure family life, it will promote the creation of family connection and good relationship between employee family and organization.
4. **Happy Heart:** The Company campaigns generosity and hospitality to be the promotion of generosity and helpfulness in workplace so that the employee will have love and harmony such as article sharing and cultivation of giving society.
5. **Happy Money:** The Company supports the employees to know about saving and financial management in order to have savings, know to spend and not to owe debt, to be the promotion of saving spending with savings for use in reserve.

6. **Happy Relax:** The Company promotes the employees to know about relaxation on something to be the creation of enjoyment, relaxation of fatigue and work stress, helping the employee to have good morale, and resulting in the employee's opportunity of good mutual relationship creation such as mutual grouping for eating and discussing in relaxed atmosphere.
7. **Happy Society:** The Company promotes social coexistence both in the Company and surrounding society to be the promotion of love and harmony, hospitality toward the workplace community and residential community, and assistance of surrounding society. If the surrounding society is happy, the organization which is in that society will be also happy.
8. **Happy Soul:** The Company arranges the activity related to the holy days and important traditions for employee participation and faith in religion, cultivation of living morality to be the promotion of virtue and ethics for employees so that the employees will be happy, peaceful in mind and peacefully coexist.

The Company's Journal "For East Coast People"

The Company has made its journal to communicate with employees, titled "Journal for East Coast People" with the objective to provide more channels to communicate news and information including policies to create understanding and become another channel for providing employees with news and information.



Employee Development

The development of employee potentials will lead to the advancement of work and duties, and apply knowledge and ability obtained to be used in performing their duties, it is also an integral part in driving the Company to steadily grow, these skills are individual competencies for further stepping into becoming a person of quality. However, due to the coronavirus outbreak in 2020, and the prevention of Covid-19 outbreak, the Company is therefore necessary to refrain from organizing any activities that may affect the health of participants and some activities have been organized online

Training Course to educate employees about the application of FSC-CoC (FSC-CoC Forest Management System) Certificate

FSC-CoC (FSC-CoC Forest Management System) has been initiated by the Forest Stewardship Council (FSC) which is a non-profit organization with policies determined by members from environmental, social and economic sectors to manage the global forestry in an appropriate and responsible manner with a rigorous and transparent certification system; FSC is therefore a standard recognized by buyers in the international markets. Products bearing the FSC label will be subject to validation throughout the process backward to the origin of raw materials to ensures that they are made from commercially grown forests that are properly managed and environmentally responsible. The wood industry is required to have CoC (Chain of Custody) certification or timber traceability system, taking into account the use of woods from planting sources to production and end sellers. Therefore, the FSC-COC standard could guarantee that a proper product must be made with correct methods, for example, the wood used for furniture production must not come from the wood in the forest but must be the wood from a commercial plantation that is managed with environmental responsibility only. At present, the Company is in the process of preparing ourselves to obtain a certificate of such standard.



“Happy Credit” Project

The objective is to release debts for its employees by affixing the collaboration between East Coast Furnitech Public Company Limited and G Capital Public Company Limited to prepare “Happy Credit” Project for easy borrowing, comfortable amortization, special condition granting to the employee with more than 2 years and over service duration. It is the credit granting that helps reduce obligation of the employee who participates in the Project for decrease in amortized installment and loan interest. The knowledge provision and financial management skill development are executed to the employee whereas the employee who participates in the Project shall comply with the rule of the Project and shall disclose actual financial information. Such project has been commenced for execution in 2016 and still continued.

Employment of Disabled

The Company has hired the disabled employees with physical impediment to work in the production process and prepare fittings (the equipment used in the assembly of furniture products) in order to have the opportunity and return equivalent to ordinary employees in accordance with Empowerment Of Persons With Disabilities Act, B.E. 2550 (2007), aiming to protect disabled people to be employed or earn a living without unfair discrimination due to physical and health reasons. The Act requires the government agencies and employers or business owners to employ disabled in accordance with Section 33, at present, the Company has a total of 14 disabled employees or sends money to the Empowerment of Persons with Disabilities Fund under Section 34 or choose to make concessions under Section 35. The Company is currently in the process of Section 35. The Company also takes care of employees who are suffering health problems by moving them to take responsibilities as their potential and ability to minimize the impact on employee health as least as possible.

Performance on Community

The Company pays attention to participate and support in the activities related to development for the enhancement of community quality in neighboring areas to have a better living, the team overseeing this function will be assigned to the Human Resources Department by working together with the Investor Relations Team to explore the needs and satisfaction of the community. The community development project consists of 5 areas as follows:

1. Education: The Company annually provides scholarships and schooling equipment to students who have good studying but lack of funds, to schools located surrounding the Company’s office area.
2. Environment: The Company has realized the importance of production process in reducing the impacts on environment, such as the electricity generation from solar energy to be used in the production process, using tablet instead of drawing papers, effective management of materials remained from production processes, etc.
3. Health: The Company annually provides medical devices to Klaeng Hospital, Rayong Province, this hospital serves people in the area and the Company’s employees working in the Head Office due to its close location.
4. Economy & Occupation: The Company built the ECF PARK as a place to earn income for community people, because ECF Park is located closed to Ban Bueng-Klaeng Road, it is proper to be a place for selling souvenirs and local products. The Company has allowed people residing in communities nearby the Company’s head office in Klaeng District, Rayong Province, to rent and sell products in ECF Park.

Activity “Forward Happiness ... to Society”

The Company is highly aware on the sharing culture in our organization with a focus on promoting employees to have a public mind, make people happy in giving, on order to be a part of making a present society to be more pleasant, many projects and activities have been created to deliver happiness to communities, society and employees who will be a giver. However, due to the outbreak of Covid-19 in 2019, the Company had to suspend some activities to prevent the outbreak of coronavirus, the Project “Forwarding Happiness ... to Society” in 2020 had organized following activities:

SCN, ECF and META donate oxygen generators under the name of GEP to Yangon General Hospital to fight COVID-19.



On October 15th, 2020, the cooperation of 3 Thai investors, Scan Inter Public Company Limited (SCN), East Coast Furnitech Public Company Limited (ECF), and Meta Corporation Public Company Limited (META), donated seven (7) Oxygen concentrators to Yangon General Hospital to alleviate the worsening hit communities by COVID-19 Pandemic in Yangon, the Republic of the Union of Myanmar. As of now, in the Republic of the Union of Myanmar, there is a shortage of medical equipment for the treatment of patients infected with the Coronavirus (COVID-19). The number of people infected and the deceased has increased, which GEP has seen as a priority for medical care. Therefore, it has delivered the oxygen generators, which are the medical devices that are very important for the patient to help increase the efficiency of treating infected patients in the affected communities to reduce the mortality rate in the Republic of the Union of Myanmar.



Activity “Donate Computer Equipment and Office Equipment to the Association of the Physically Handicapped, Rayong Province”



Activity “Donate Furniture and Scholarships to Ban Yang Ngam School, Krasae Bon Sub-district, Klaeng District, Rayong Province “



Activity “Donate Funds to Support Activities in Community nearby the Company”

The Company provides funds to support the activities in nearby communities for supporting public benefit activities, such as community development activities, activities of local festivals, etc.





Activity “Donate chairs of the Company to be used in the office of the Employment, Rayong Province”
 The Company donates chairs to the office of Employment, Rayong to service for people who come to contact the office.



Creating the income sources for people in the community

The Company built the ECF Park under one of main objectives to create a source of income for people in the community, the ECF Park is located on Ban Bueng-Klaeng Road, suitable to be used as a place for distributing souvenirs and local products. The Company has allowed people in the community to rent space for selling products at ECF Park. It is also considered as a bus park area with service and selling product areas such as coffee shops, convenience stores, restaurants clean restrooms and service stations for charging electric vehicles to electric vehicles etc.



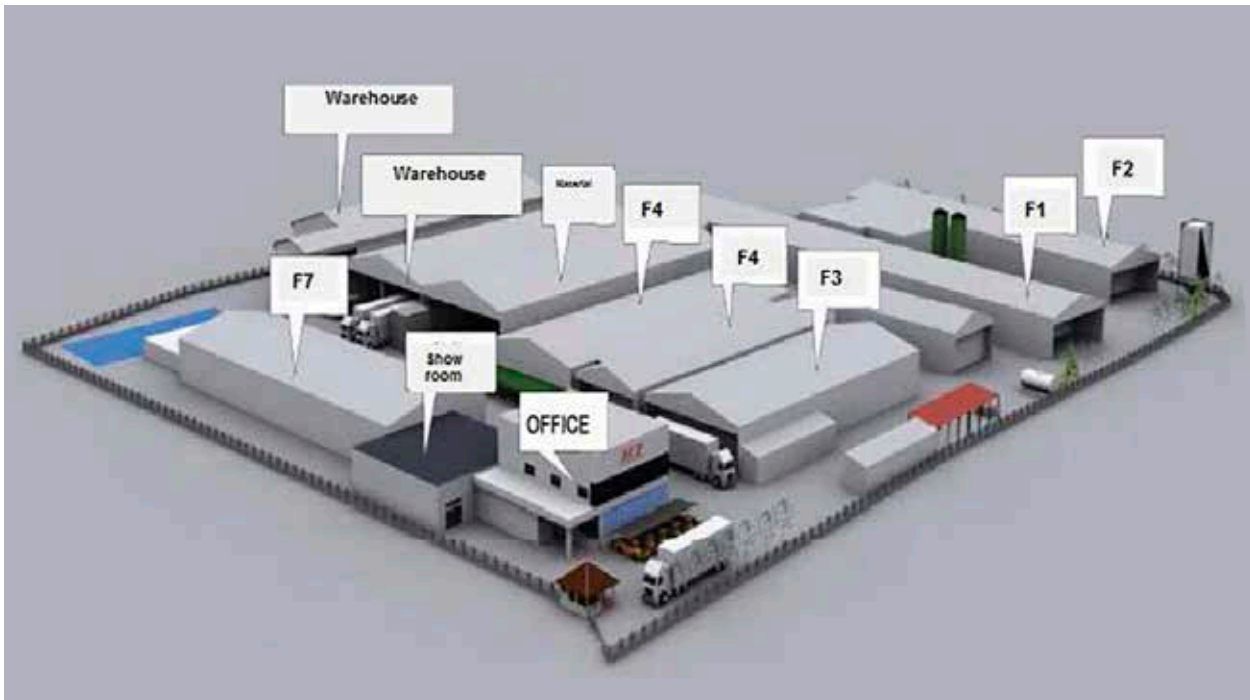
Performance on Quality Communication and Environment

Performance on Quality Environment

Measures of procedures within the organization that represent environmental responsibility

The Company gives precedence environmental impact occurred from the Company's business process either directly or indirectly under control from environmental friendly production process of products and services in every procedure, and also cultivates its employees to be aware of environmental care whether being waste sorting, cleanliness inside the building area, plant and surrounding area.

Sample of Zoning of Responsible Area in Cleanliness Care



The Policy on the Effective Use of Resources

To ensure that the Company has the guidelines and reliable environmental and safety management systems, the Company has been proceeded to be certified of quality management system standard on ISO9001: 2015 (ISO 9001 - Quality Management System). In addition, the Company also annually inspects the environmental and safety performance and has a policy as an important principle to achieve the effective use of resources as follows:

1. Support a monitoring approach in the operations that may affect the environment.
2. Promote activities to enhance environmental responsibilities.
3. Promote the development and dissemination of environmentally friendly technologies.

In the manufacturing process of furniture, the Company gives importance on the pollution that may present during the production process, such as color spray, dust, etc. presently, the Company designs to spray painting in the closed rooms and applies the effective spraying technology to reduce the amount of pollutions to enter into the production process. For the raw materials used in the production that uses adhesives, which are the raw materials used to cover the surface of paper on particle boards, the Company decided to use water base glues that do not affect the environment.

The Effective Use of Resources

The Company consumes the energy to manufacture products, provide services and operate the office, consisting of 3 kinds of resources:

1. Electricity: supplied by the Provincial Electricity Authority for the office works and the production in the plant at the Head Office in Rayong Province and by the Provincial Electricity Authority for the works of marketing office at Lam Luk Ka Branch Office, Pathum Thani Province.
2. Fuel: includes diesel oil, gasoline, to be used in transportation of products and the Company's office cars.
3. Tap water: supplied by the Provincial Waterworks Authority for the office works and the production in the plant at the Head Office in Rayong Province and by the Provincial Waterworks Authority for the works of marketing office at Lam Luk Ka Branch Office, Pathum Thani Province.

The Company is aware of saving and reducing the use of energy resources with the policy to closely control the costs of electricity, fuel and tap water, under the objective to continuously minimize expenses.

During 2020, the Company consumed resource as following details:

Unit : Baht

Type of Resources	Amount		
	2019	2020	Difference (%)
Electricity	24,467,466.82	24,512,146.82	0.18%
Fuel	10,692,871.21	7,935,400	-25.79%
Tap Water	55,218.75	52,303.00	0.21%
Paper	165,063.00	118,500	-28.21%
Total	35,377,619.78	32,618,376.82	-7.80%

The above table showing the use of resources was found that in 2020, the Company could reduce the cost of resource utilization when comparing to expenses in 2019, decreasing 7.80%, this figure reflected that the Company is committed to environmental responsibility and being a part of driving force in encouraging employees to be aware of the cost-effective use of water, electricity and other resources.

However, for electricity expense, the Company installed the solar panels with a production capacity approximately 1 MW on the rooftop of the factory at head office, Klaeng District, Rayong Province, to utilize solar power in the production process, and we could be used it at a full capacity since 2019. In 2018, the electricity expense was 36,404,316.15 baht and after installing solar panels, this expense in 2019 was reduced to 24,467,466.82 baht, decreasing 32.79%, and in 2020, electricity expense was 24,512,66.82 baht, similar to that of 2019, the installation of solar cells is considered as a success of the Company to focus on the reduction of resource expenditures. In addition to benefit the Company in reducing expenses, it also provides a positive effect on the environment because solar power is belonged to pure energy, that does not affect the environment. At the same time, the Company also has a policy to expand the sales of carbon credits from the said project in the form of reducible greenhouse gas to generate revenue for the Company.

Waste and Consumable Management

The Company gives precedence to management of waste and consumable derived from production process and employee consumption under clear waste sorting method and asks for collaboration of employee to sort each type of waste for management of wastes and consumables from processes under below details:

- **Wood chips and sawdust:** the products remaining from the wood cutting process shall be used as the fuel for the boiler to generate renewable energy in the production process. If the quantity of wood chips and sawdust is high, the company shall sell them to a third party.
- **Dust** the dust from polishing process using sandpaper or polishing machine, the company shall use filter bag. The filtered dust shall be sold to a third party to use as a raw material accordingly.
- **Residue** of Spraying from the pigmentation process on the work piece, the company has a measure to prevent the impact caused by spraying color to the environment by using a pigmentation room with circulating water to reduce the color mist. The residue from this process shall be properly eliminated.

- **Paint residue** from the manufacture of covering paper; the residue of paint after printing process, the company shall bury such residue in the factory. At present, if the paint residues are still of good quality, the Company will mix them and reuse to reduce the effects caused by the paint residues and this is part of production cost reduction while maintaining good quality products in accordance with the standards set by the Company. From this process, the cost of new paint buying could be reduced up to 5%.
- **Waste materials** such as rejected artificial leather or textile from production process, the company shall gather them to sell to a third party.
- **Glue** it is the adhesive materials to attach the covering paper to the particle boards, the company shall use water base glue that can be melted by water, causing no environmental impact.

However, in last year, the Company has started the execution according to the Policy of Corporate Social Responsibility for social and environmental benefit with sustainable effect both toward social and business. In the following years, the Company will formulate the policy and practical guideline to express clearer social and environment responsibilities, advance more concrete activity organizing, and apply the acquired result from the policy and activity for analysis and evaluation under objective of development and improvement.

The Company's Environmental Conservation Guidelines

Internal training or sending employees to be trained on environment by other organizations

Solar Rooftop Project

Since the Company is a manufacturer and distributor of furniture, we have two factories in Rayong Province: one factory is located in Thang Kwian Sub-district, Klaeng District, where the headquarter is located and produces particle board furniture, our main product; and another factory is located in Wang Chan Sub-district, Wang Chan District, and produces and assembles rubber wood furniture including has a production lines of sawmills for processed and dried para rubber trees, and foil paper for furniture manufacturing. Electricity is the main energy for every step of furniture manufacturing process; therefore, the Company has thought to produce clean energy by choosing and using solar power or solar rooftop in the factory in Klaeng District. Our Solar Rooftop Project has an installed capacity of not more than 1 MW, after installation and utilization of solar power in production process, in 2020, the Company could save electricity fees up to 3,664,729. Baht; additionally, we are studying additional projects to install more solar rooftop inside the factory.



Apart from saving electricity costs for the Company, a solar rooftop also helps in environment conservation, because solar power is a clean energy that will not cause any toxic effect to the environment. In the future, we have plans to implement the Solar Rooftop project at the factory in Wang Chan District as well.

Use of Recycled Paper instead of Good Grade Paper for Product Assembly Manual

The product assembly manual is necessary and paper is also necessary to be used for manual production. In this process, the Company decided to use recycled paper to replace good grade A4 paper to help in tree cutting reduction for paper production and this also helps in reducing the Company's production cost for approximately 0.40 Million Baht per year.

At present, the Company is seeking the way to reduce the use of paper to minimize the environmental impact from the paper production process by printing the instruction on the product boxes, however, this method is limited to apply, it will be applied for the product that has uncomplicated assembly process.

The Use of Eco-Friendly Materials

The Company has changed to use the Edge Banding-typed or plastic materials for covering the edge of wood instead of original materials that are made from 100% PVC and plastic materials are environmentally friendly or Eco-Friendly grade that is biodegradable for minimizing environmental damages.

The Reduction of Chemicals in Production Process

The production process of furniture made from artificial woods such as particle board, which requires resins as admixture to combine woods in the compression process, such resin contains formaldehyde that will harm the users if its ratio exceeds the standard, the formaldehyde measurement standard is defined or it is called the European formaldehyde emission standards, divided into 3 main parts, the levels start from “E2” level that is harmful to the users because the release of formaldehyde is higher than the set value; “E1” level that is not more than 0.75 ppm; and “E0” level that is an advanced standard upgraded from E1. The furniture passed this process will contain formaldehyde not more than 0.07 ppm. All operational parts, especially the manufacturing part, are conducted of development to allow such standards to cover the global furniture industry in the future.

In order to minimize the impacts on both users and the environment, at present, the Company chooses to use wood in E1 level, which was found that the formaldehyde content is lower than E2 level, up to 1.0 mg/l, or can reduce formaldehyde from the use of materials up to 67%, additionally, it also presents positive impact on environment, users and employees' health, it is also good for cost reduction in the production process, decreasing the amount of costs up to 3.70 Million Baht per year.

Replacement of LED Light Bulbs in Factory

In the Production Department, it was found that there are more than 2,000 points of light bulbs in the production area, at present, the Company has gradually replaced with LED light bulbs because LED light bulbs has real white light which its temperature is similar to natural light, making the eyes comfortable and good for eye care, with longer lifetime, using lesser electricity, and importantly, LED light bulbs is eco-friendly because the fluorescent bulb consists of heavy metals i.e. mercury, etc. which are toxic to the environment, while the LED bulb does not contain any harmful heavy metals and importantly, its materials produced are recyclable.

Change to use Transparent Roof for Factory

At present, the Company has changed the roof of the factory from solid roof to be transparent roof by designing to allow natural light enter into certain areas in the factory to reduce the use of electrical light.

Use of Technology to Reduce Paper Use in Office.

The Company is in the process of developing the Application to support and facilitate sales and customer service for fast stock checking, presenting products through the Application. In addition, for the production, the Company has applied the Cloud system to collect all furniture designs, covering all types manufactured and distributed by the Company in order to facilitate the customers in both domestic market and international market, and shorten the work duration of Product Design and Development Department. In addition, it could significantly reduce the use of papers.

The waste sorting campaign titled “We, ECF, help in global warming reduction” know how to drop

How to separate and values of waste separation to create the awareness of environmental care, at present, the Company has set the guidelines for employees to control and manage wastes from activities, the wastes are divided into 4 types:

1. Wet Bin (green) for wet wastes such as food waste, vegetable debris, fruit waste;
2. Dry Bin (yellow) for dry wastes such as branches, leaves, toilet paper;
3. Recycle Bin (blue) for recyclable wastes such as paper, paper boxes, metal scraps, beverage cans, bottles, glasses, plastics;
4. Hazardous Bin (red) for hazardous wastes such as battery, phone battery, ink cartridge.



In addition, in order to encourage the awareness on the use of natural resources for utmost benefits, the Company posted warning signs and messages in many areas such as posting warning messages about the use of toilet paper in employees' toilets, placing the messages 'saving of water and electricity' at the water tap or power switch areas, in building areas, to encourage employee's awareness to reduce the use of natural resources.



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G4-42	Hights governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	9,13-16
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	-
G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of Economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is self-assessment. b. Report actions taken in response to evaluation of the highest governance body's collective knowledge of economic, environmental and social topics	21-25
G4-45	Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	33-36
G4-46	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	3
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	21-23
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	21-23
G4-49	Process for communicating critical concerns to the highest governance body	-

Indication	Description	Page
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	-
G4-51	Remuneration policies for the highest governance body and senior executives	-
G4-52	Process for determining remuneration	-
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	-
G4-54	Report the ratio of annual total compensation for organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in same country	-
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	-
ETHICS AND INTEGRITY		
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and code of ethics	9
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	29-30
G4-58	a. internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	29-30



The Reader's Opinion Survey Form

The Sustainable Development Report 2020 of East Coast Furnitech Public Company Limited
Your suggestions will be applied in developing a preparation of the Company's Sustainable Development Report in the future.
The Company would like to deliver our great gratitude for your collaboration.

Kindly remark x in Column and remark your opinion in the blank.

1. You are the reader in which group

- Shareholders / Investors Trade Competitor Community
- Customer Creditor Other, please specify.....
- Business Partner Staff

2. You have read the Sustainable Development Report 2020 for

- Recognition of the Company's business
- Acquisition of investment decision supporting information
- Study/Research
- Others, please specify

3. Satisfaction toward the format of the Sustainable Development Report 2020

Assessment Topics	High	Moderate	Low	Should be improved
Report Completeness				
Determination of the Report Issues				
Interesting Content				
Easy Understanding Content				
Format of the Report Volume Proposal				
Overall Satisfaction toward the Report				

4. Additional suggestions for developing a preparation of the Company's sustainable Development Report in the future (if any)

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