

# Sustainability Management in Environmental Dimensions

## Environmental Policies and Principles

The Company is committed to operating business with sustainability on the basis of environmental responsibility, paying attention to environmentally friendly business operations, realizing resource and energy efficiency, and managing waste from the organization's business value chain to ensure that the Company's business operation does not create environmental impacts in accordance with the Environmental Management Policy practice guidelines.

## Environmental Performance

### Energy to Greenhouse Gas Emissions Management

The Company placed importance on energy conservation, promoting the use of natural resources for sustainable energy production through solar rooftop installation investments at the Company branches and factories since 2018.

An increase in the proportion of clean energy consumption can be viewed as a reduction in greenhouse gas emissions when compared to energy consumption from fossil fuels. This helped solve the global problem of climate change and improved energy efficiency. In 2021, the Company engaged in the following significant energy-saving activities:

### Light Bulb Replacement Project

The Company replaced incandescent light bulbs with LED light bulbs in order to save energy by 30% from the light bulbs that were replaced. This already took place in 3 branches which included Ratchaphruek, Kaset Nawamin and Bangna.

## Solar Rooftop Project

The Company invested in a solar rooftop project to generate solar energy from the roof since 2018. The Company installed the solar rooftops at Index Living Mall and the IDF factory to support long-term energy conservation. This is also a clean energy source that contributes to the reduction of global warming. At the end of 2021, Solar rooftops had been installed in 16 locations. The Company sees the potential to reduce electricity consumption at branches, therefore, solar rooftops will be continually installed in the future.



## Electricity Capacity Generated from Solar Rooftops

Year	2018 <sup>1</sup>	2019 <sup>2</sup>	2020 <sup>3</sup>	2021 <sup>3</sup>
Electricity Capacity (mWh)	4,561.06	6,133.158	8,064.40	10,677.05
Percentage of Increase in Energy Capacity compared to the Previous Year	0%	34%	30%	32%
Greenhouse Gas Reduction <sup>4</sup> (tonnes of carbon dioxide equivalent to tCO <sub>2</sub> eq)	998.42	2,986.85	3,927.36	5,199.72 <sup>5</sup>

### Notes:

1 The Company gathered data on solar rooftop electricity capacity from Bangna, Pattaya, Rama 2, Ratchaphruek, and IDF branches. Bangna, Pattaya, Rama 2, Ratchaphruek and IDF branches.

2 The Company gathered data on solar rooftop electricity capacity from other branches in 2018. This includes Udon Thani, Khon Kaen, Chiang Mai, Hat Yai, Surat Thani and Chaiyapruet.

3 The Company gathered data on solar rooftop electricity capacity from other branches in 2020, including Chonburi, Prachuap Khiri Khan, Phitsanulok and Nakhon Ratchasima.

4 The amount of greenhouse gas reductions is a certified specific information from the TGO, which was calculated between August 1, 2018 - December 31, 2020. In 2018, an uncertified amount of greenhouse gas reductions was 1,222.82 tCO<sub>2</sub>. (January-July 2018)

5 The amount of greenhouse gas reduction is in the process of requesting certification from the TGO.

## Product Design and Development

The Company supports responsible consumption. As a result, the Company gives importance to resource efficiency by establishing a policy to develop and support environmentally friendly products and promote the use of plastics with social and environmental responsibility. The Company believes that product design and development and sustainable management of raw materials in production is environmental management that helps reduce the amount of waste. In 2021, the Company began researching and carrying out the product development projects and raw material sustainability management as follows:

- **Increase the Proportion of Environmentally Friendly Products in the Product Portfolio**

The Company began to develop and design furniture and home furnishings using degradable natural materials that are easily found in Thailand. Furthermore, the Company is in the process of Upcycle, a program that focuses on repurposing old or unused materials to create new products.

- **Environmentally Friendly Designs**

Regarding the products in the mattress group, which are large and require a significant amount of packaging material, the Company modified the packaging format for some mattress models. This was designed to print with a single color ink on untreated and uncoated recycled cardboard while also reducing the mattress's packaging size by using compress rolling technology, which compresses the mattress to a smaller size and allows it to fit into smaller packages than usual. As a result, the number of products packed in containers can be increased by up to 5 times. This minimizes cargo trips, packaging waste, and makes transportation more convenient. The Company intends to expand the effect to other products in the future.

- **Develop Customized Products to Optimize the Use of Natural Resources**

Yunique is a furniture brand that offers customized furniture that can be produced in any shape or size according to the customer's design (details can be found at <https://www.yunique.design/about-yunique>). Yunique has a system for designing and calculating the most cost-effective use of wood and its components while conserving raw materials, thereby increasing natural resource efficiency. The Company has a policy of recruiting and negotiating with raw material suppliers who agree to purchase raw materials and fittings without requiring the

Company to maintain a large inventory. Additionally, the Company develops and designs common parts that can be used in a variety of furniture models, thereby reducing the number of components used in product manufacturing.

The majority of projects are still in the planning and/or implementation stages. As a result, the Company lacks sufficient material data on which to base its results. However, the Company will collect and report data in the following year.