

รายงานการพัฒนาอย่างยั่งยืน
2561 / 2562



Sustainability
Report 2018/2019



บริษัท อีอ้อน สนสินทรัพย์ (ไทยแลนด์) จำกัด (มหาชน)
ÆON Thana Sinsap (Thailand) Public Company Limited

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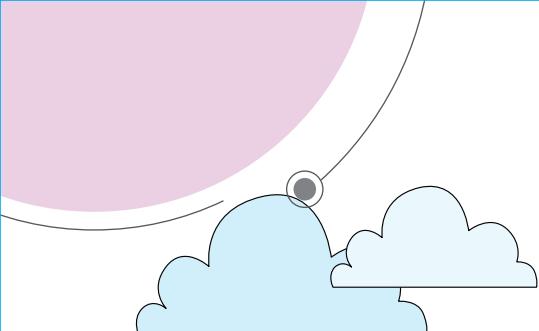


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Top Message from Managing Director




Mr. Kiyoyasu Asanuma
Vice Chairman of the Board and Managing Director

The Company prioritizes morality and social responsibilities under good corporate governance as well as placing importance on improving and continuously developing innovations to provide digital products and services which require promptness and integrity. The Company is also firmly committed to ensuring transparency in management on the basis of the AEON code of conduct, growth and development in all dimensions: economic, social, and environmental sustainability.

The Company has developed the AEON Thai Mobile Application to serve self-online financial transactions to its customers with various types of functions such as card activating, balance checking, online payment and so on. The application enables customers to access our products and services with better ease and convenience. This endeavor is in line with the country's economic Thailand 4.0 policy.

The Company fully realizes that employees are the most valuable resources in propelling the organization toward sustainable development, AEON is determined, therefore, to treat employees fairly, encouraging their development of knowledge and skills in order to embrace the advent of new financial innovations. Also, the Company stresses the importance that its employees maintain a positive attitude and nurture a collaborative spirit which will enhance their work performance.

In terms of its corporate social responsibility, the Company has channeled some of the profits from its operations to benefit social causes through its AEON Thailand Foundation. Since its establishment in 2008, it has implemented sustainable projects such as reforestation for watershed forest on the steep areas at Sri Lanna National Park, Chiangmai Province. It has also made contributions of four-year consecutive scholarships for university students and supported charity activities that raise funds for research of cancer treatment innovations of Ramathibodi Foundation and so on.

The Company is aware of the pressing problems of global warming that affects all sectors and stakeholders. Our environmental campaigns have been implemented with the aim of implementing environmental management systems. The Company has also been working to reduce its energy consumption and encourage efficient use of resources, such as scheduling the turning on and off of office lights, programing the photocopying machine to power saving mode and having documents printed on both sides.

The Company is deeply committed to continue operating its business in line with the principles of social responsibility, transparency, and good corporate governance. It also places strong emphasis on the need to review and develop work processes consecutively with the use of Kaizen as one of its vital tools with the ultimate aim of developing and achieving sustainable greater well-being.

Company Profile



Company Profile (as of 28 Feb 2019)

Company Name	AEON Thana Sinsap (Thailand) Public Company Limited
Company established	September 18, 1992
Address	388 Exchange Tower, 27th Floor, Sukhumvit Road, Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
Paid up capital	Ordinary 250,000,000 baht
MD	Vice Chairman of the Board and Managing Director Mr. Kiyoyasu Asanuma
Number of Employee	5,622 persons
Company Objective	The provision of a variety of retail finance services, including credit card, hire purchase, personal loan, and others.
Outstanding Share	250,000,000 ordinary shares AEON Financial Service Co., Ltd. 87,800,000 shares (35.12%) ACS Capital Corporation Limited 48,000,000 shares (19.20%) AEON Holding (Thailand) Co., Ltd. 22,000,000 shares (8.80%)
Company Listed	The Stock Exchange of Thailand (SET)

Sustainable Development





The Company emphasizes on sustainable development and prepared sustainability report in accordance with the GRI Standards covers 3 dimensions; economic, social and environmental dimension. This year, the Company discloses information by refer to the Global Reporting Initiative, GRI Standards.

AEON Code of Conduct is the core guideline for the Company in operation and implementation for improvement, development, and generates sustainable value to all stakeholders.

Pursuing peace, respecting humanity, and contributing to local communities, always with the customer's point of view as its core.



The word aeon (AEON) has its origins in a Latin root meaning “**eternity**.”

The customers’ beliefs and desires comprise the central core of our philosophy. At Aeon, our eternal mission as a corporate group is to benefit our customers, and our operations are **thus customer-focused to the highest degree**.

“Peace” : Aeon is a corporate group whose operations are dedicated to the pursuit of peace through prosperity.

“People” : Aeon is a corporate group that respects human dignity and values personal relationships.

“Community” : Aeon is a corporate group rooted in local community life and dedicated to making a continuing contribution to the community.

On the basis of the Aeon Basic Principles, Aeon practices its **“Customer-First”** philosophy with its ever-lasting innovative spirit.

Economic Dimension

Customer-First



- Corporate Governance
- Business Ethics
- Risk Management System
- Responsibility to Customers
- Compliance System
- Internal Control and Internal Audit
- Quality Management System
- Kaizen
- Information Security Management System

Corporate Governance



Business Ethics



The Company recognizes the significance of ethical business operations, AEON Code of Conduct is the main principle that all of AEON members are committed to follow. AEON Code of Conduct covers our promise to our customers, the local community and AEON, business partners and AEON including shareholders and AEON.

AEON Basic Principles

Pursuing peace, respecting humanity, and contributing to local communities,
always with the customer's point of view as its core.



- “Peace”** : AEON is a corporate group whose operations are dedicated to the pursuit of peace through prosperity.
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On the basis of the Aeon Basic Principles, Aeon practices its **“Customer-first”** philosophy with its ever-lasting innovative spirit

Our Promise to Our Customers

The Company commits to provide service for customer satisfaction with “everything we do, we do for our customers”. In order to achieve that, Quality Management System (ISO9001) had been applying for efficiency of operation process and Information Security Management System (ISO27001) has been applied for protect customer’s information. Besides, Customer Satisfaction Survey had been implementing continuously to improve operation process, give an opportunity for staff to review working process and present idea to improve work efficiency regularly.

The Local Community and AEON

AEON Code of Conduct stated AEON aims to set an example as a good corporate citizen, working together with the community for its growth and the improvement of quality of life. The Company, therefore, set up and supports AEON Thailand Foundation to implement CSR activities since 2008 continually.

*CSR activities of AEON Thailand Foundation refer to Social Contributions in this report.

Business Partners and AEON

AEON Code of Conduct stated AEON respects innovative business partners who help the company achieve its objective of “Customer Satisfaction.” We strive to work as equals with our business partners, dealing fairly and working for our mutual prosperity. Aside from implementing international standards such as Quality Management System (ISO9001), Information Security Management System (ISO27001) and etc., The Company also require our business partners to strictly observe these same standards. The Company does not tolerate the acceptance of gifts, money, or special favors from our business partners which it was announced to all relevant persons annually.

*The term “business partner” refers to all of the partners with whom we conduct business, including those who provide retail products, facilities services, and our retail tenants.

Shareholders and AEON

Recognizing the importance of the shareholders’ rights, including sharing in the Company’s profit, being able to buy, sell or transfer shares, receiving adequate information, participating and voting in the shareholders’ meeting on significant issues, etc., the Company has continually protected and encouraged the shareholders to exercise their rights by emphasizing the disclosure of accurate, complete, timely, and transparent information to shareholders. The Company’s Annual General Meeting of Shareholders (“AGM”) was held within four months of the end of the fiscal year. In 2018, the Company conducted shareholders’ meetings on June 22, 2018 at Grand Ballroom, Pullman Bangkok Grande Sukhumvit Hotel, 30 Sukhumvit 21 (Asoke) Road, Klongtoey Nua, Wattana, Bangkok, which offered convenience in transportation for shareholders. (No extraordinary meeting was held this year).



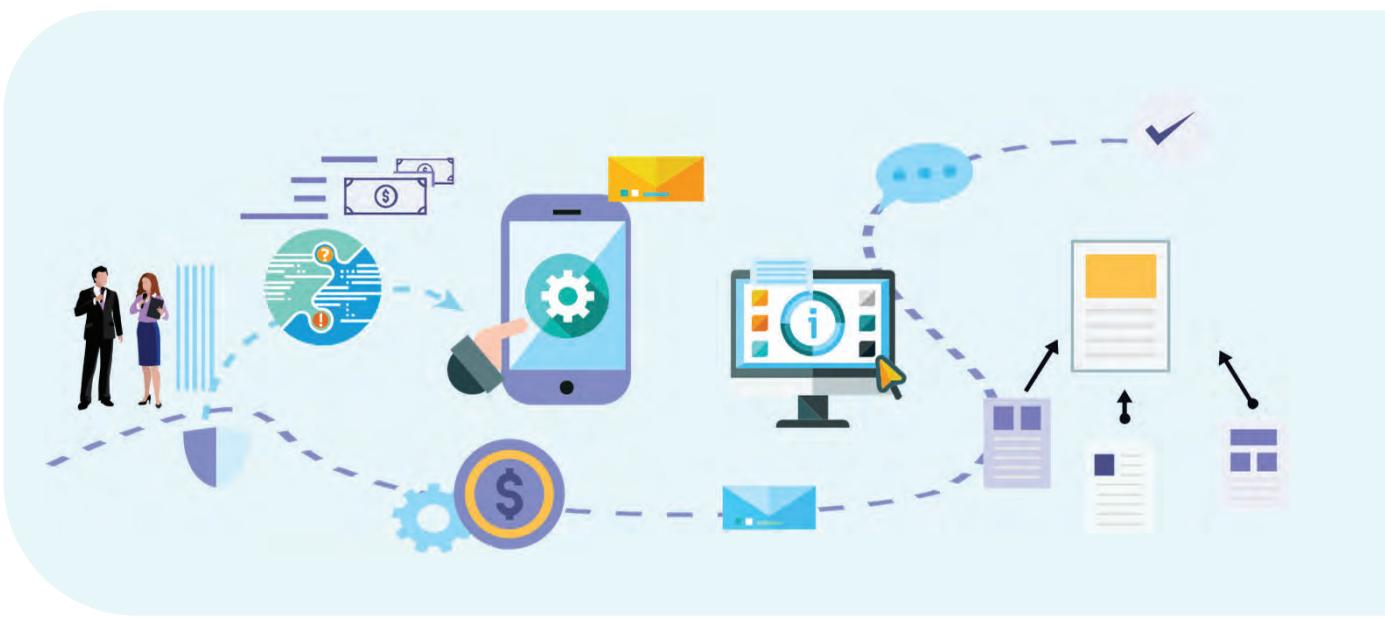
- **Investor Relations**

The Investor Relations section has been assigned to take the responsibility of providing and disseminating information and activities of the Company of the benefits with institutional and individual investors, stock analysts, shareholders, and other people. Investors and interested parties can contact Investor Relations section directly for the Company's information, including financial statements, annual report, and notifications to SET/SEC, etc.

- **Contact with Investor Relations Section**

Telephone : 0-2689-7008-9
Fax : 0-2689-7007
E-Mail : ir@aeon.co.th
Address: AEON Thana Sinsap (Thailand) Public Company Limited
388 Exchange Tower, 27th Floor, Sukhumvit Road
Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
Website : <http://www.aeon.co.th> (select Investor Relations)"

In addition, the Company has conducted company visit for both domestic and international analysts and investors and also joined domestic and international roadshow activities every year.



Anti-Corruption Regulation and Policy

In order to ensure that the compliance with the guideline on Anti-Corruption of the Company is completely, successfully and efficiently following the relevant regulations and requirements against and does not accept corruption in any form, the Company has prescribed anti-corruption procedures for its activities to comply with this policy and will regularly review that these procedures comply with the relevant laws and maintain the Company's reputation. All the employees, affiliates and parties involved with the Company must strictly comply with this policy.

This policy has been established to ensure that all the employees of the Company and its affiliates comply with the anti-corruption measures, and shall review the practices, roles, responsibilities, risk management systems and the internal control and audit measures to anti-corruption and prevent fraud within the Company.

The Company's top management therefore implements the policy and scope as follows:

- 1.) The Company has a policy to conduct business in good faith with honesty, transparency and ethical principles by focusing on fostering the attitude among its employees to oppose, correct and be responsible for corruption issues, including communicating the knowledge, understanding to all employees and performing tasks honestly and in accordance with the policy.
- 2.) The Company does not accept any corruption activity which may be an offence under the law and is committed to conduct business with integrity, honesty, and fairness according to the Company's commitment to prescribe and enforce effective anti-corruption measures.
- 3.) The Company will cooperate and support anti-corruption activities by promoting and participating in monitoring, auditing and having mechanism to monitor and control the exercise of power to be appropriate, transparent and efficient as well as to act in compliance with the anti-corruption laws.
- 4.) The Company shall set the standard for the investigation procedure for trials to be effective and in compliance with the Information Security Management System (ISMS-PC-04-13 and ISMS-PC-04-14).
- 5.) This policy applies to employees of the Company and employees of the affiliated Company operating at all levels, including employees of the Company's or affiliates' branches and/or other related parties.
- 6.) The policy regarding the Company's employment contracts states that all employees must comply with the rules, regulations and policies of the Company. Compliance with this policy is in accordance with the terms of the relevant employment contract or any agreement between the Company and the employees.
- 7.) The policy regarding the Company's employment contracts states that all employees must comply with the rules, regulations and policies of the Company. Compliance with this policy is in accordance with the terms of the relevant employment contract or any agreement between the Company and the employees.
- 8.) The Company determines that its affiliates shall implement the anti-corruption policy of each company in accordance with this policy.

Risk Management System



The Company realizes uncertainties of current economic situations leading to risk exposure that affects the Company's performance. The Company therefore has accordingly implemented the Risk Management System as follows;

1. Risk Management Committee

The Company has established the Risk Management Committee ("RMC") since 22nd November 2013 with 13 persons that consisting of Managing Director, all executive directors and top managements. The Company arranges the RMC meeting every month together with AEON Financial Service Co., Ltd., as well as all affiliated companies both domestic and overseas by means of TV Conference.

Risk Management Committee has scope of power and duties to establish risk management policy and procedure which would cover the main company's risks such as Credit Risk, Liquidity Risk, Market Risk and Operational Risk. RMC has oversight and follow up risk management process as state in policy/procedure which approved by all executive directors. Moreover, RMC would support risk management unit in part of human resource, budget or others necessary to conform the responsibilities.

2. Risk Management Unit

The Company also sets up the Risk Management Unit in order to conduct risk management process as policy and procedure defined and to support the RMC in setting up, analyze, reviewing, and monitoring the Company's Risk Management System and work with risk owner in related departments. Furthermore, design or recommend the sustainable preventive actions to help mitigate risk level to under or equal to the company's risk appetite.

3. Risk

The Company has divided into 4 material risks as follows:

Credit Risk: Credit risk is the potential for loss due to the failure of counterparty to meet its obligations to pay the Company in accordance with agreed terms. This results from risk factors arising from the current economic conditions.

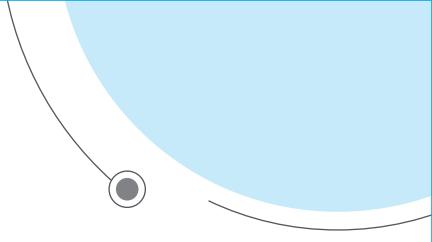
- I World economic slowdown directly affecting the customer's ability to repay the loan.
- II The discontinuation of employment in some areas, temporary ceasing of operations in some industries and wage reduction, which directly affect the debt repayment ability of customers.
- III Natural disasters i.e. flood, drought, etc. that affect the customer's ability to repay a loan.

This risk is managed through a framework that sets out policies and procedure. The Company defines the strategy and goals of lending and strategic risk as a whole, such the policy and strategy had been revised timely e.g. more strengthen Personal Loan payment ratio for the good preparation during economic slowdown. Such policy had been cascade to all relevant staff regularly.

The Company has many tools to manage credit risk such as credit scoring which include geographies and industries etc., setting credit criteria, performing credit reviews, and also layering authority for credit approval. Credit origination function and the credit approval functions are clearly segregated to enhance internal control in order to mitigate credit risk.

Market Risk: the risk of loss resulting from changes in the value of assets including off-balance sheet assets due to fluctuations in risk factors such as interest rates, foreign exchange rates and stock prices and the risk of loss resulting from changes in earnings generated from assets and liabilities. The Company regularly monitors the status of additional amount of securities invested monthly. The Company also follows up on changes in bank rate or the financing rate.

Liquidity Risk: the risk that the Company will incur losses because working capital is insufficient to pay for cash outflow or is forced to obtain funds at far higher interest rates than under normal conditions or unexpected substantial cash outflow than expected (referred to as funding-liquidity risk). The Company diversifies such risk by having 16 banks as a source of The Company's funding and The Company monitors impacts of changes on financing practice and cash management, drivers of changes in investment balance.



Operational Risk : Operational Risk: Operational risk refers to the risk of loss arising from inadequate or failed internal processes, people and systems (Information Technology) or event due to external factors includes legal risk but excludes strategic risk and reputation risk. This risk arises from normal course of business activities. However, the Company's Department Operation Manual clearly identified each work flow process so the employees understand the process and can operate effectively. The Company has also established policy framework for operational risk management in order to maintain a low probability of an unexpected loss event. Risk Management Committee receives regular reports on risk concern and conducts 'deep dive' review on risk information reporting of prudential risks.

The Company established many tools that support the coordination of operational risk activities to identify, monitor, manage and report risk issue which included the respective units to perform Risk Control Self Assessments (RCSA) to identify operational risk of each core operational processing. The assessment identifies inherent risk to current operating process and evaluates effectiveness of existing control. The results are presented to business units committees and relevant senior committees for agreement and setting of action plans to mitigate or eliminate the risk where the exposure is deemed unacceptable and ensure residual risk is at acceptable level. The analyses and result will be used as part of Key Risk Indicators (KRI) to monitor risk event.

Operational Risk Matrix had been established as guideline to assess and assign risk rating to each operational incident. Incident report is to consolidate all damage events both financial and non-financial loss also other damage or unusual events which those information the company will use for either process improvement or established additional control to minimize risk or loss due to operational risk event.

Moreover as part of risk mitigation process, the Company had Business Continuity Plan (BCP) to ensure continuity of key activities during a crisis event, should any emergency event occurred such as offenses and disasters the Company will provide constantly service to customer or minimize operating disruption period to acceptable duration. The plan has been annually revised by all departments, Regeneration system and key company's operating process also annually rehearsed to ensure the Company can efficiently perform normal operation in all crises.

Responsibility to Customers



The Company places emphasis and aims to support convenient service to serve the customer's satisfaction. The Company also established a Customer Satisfaction Survey via Survey Form on the Company website <https://www.aeon.co.th/survey/> to reconsider and improve service to perfectly serve for customer's satisfaction

Besides protecting the personal information related to the business, the company has established the quality management support unit or Corporate Quality Secretariat (CQS) to implement the Information Security Management System (ISO 27001:2013) which is the international standard within the company covered Head Office, all operational centers and branches that to be seriously protected the company's information against loss of the confidentiality, integrity and availability cover all document types of the business.

Furthermore, The Company considers the business environment by study and identifies all of the external and internal factors that could influence the information security management system using in company, and to get the benefit from those issues to help increase productivity and competitive advantage. The examples of external factor are the environment (the current economic), the customer responsive, business competitor, technology, legal, etc., the example of internal factor are marketing strategy, organization management, and human resource management, etc. These factors are taken into risk consideration and also further protection.

To increase the efficiency of operation and focus on the information security, Company developed and improved by using the high technology to verify the security of information flow in the system such as Email Restriction which ensure that emails are successfully sent and received are secured to prevent all different kind of problems



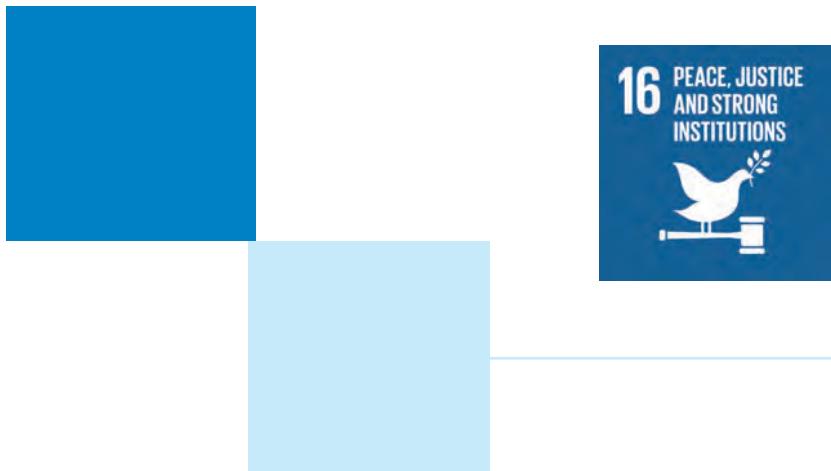
The company has an information security control process to limit of emails usage such as

- Confidential information that is containing work related documents, customer and employee privacy data must not be sent externally though email.
- Sending confidential data, non-work data and prohibited words to external agents must not be sent externally though email.
- Sending emails is restricted to a maximum of 30 email addresses per time.
- Sending to free email providers such as Gmail, Yahoo, etc. are not allowed. Email should specific an email address related to work or Business Corporation; otherwise, the permission from Corporate Compliance Department is required

In addition, the Company has determined authorize systems as appropriate for position and duties which controlled by use the Vein Scan System to identified person and code access to systems. The Company is strictly monitored and provides access to information of employees and those involved as well.

Furthermore, The Company also concentrates with business continuity to preparing for any issue or situation that could happen any time. The company has set up a backup with the appropriate approach base on the priority of data and arranged BCP Test Plan regularly cover core systems and operation of the company including improved operational risk management and internal control to raise awareness of data protection effectively and to ensuring with customers as well as shareholders and concerned person.

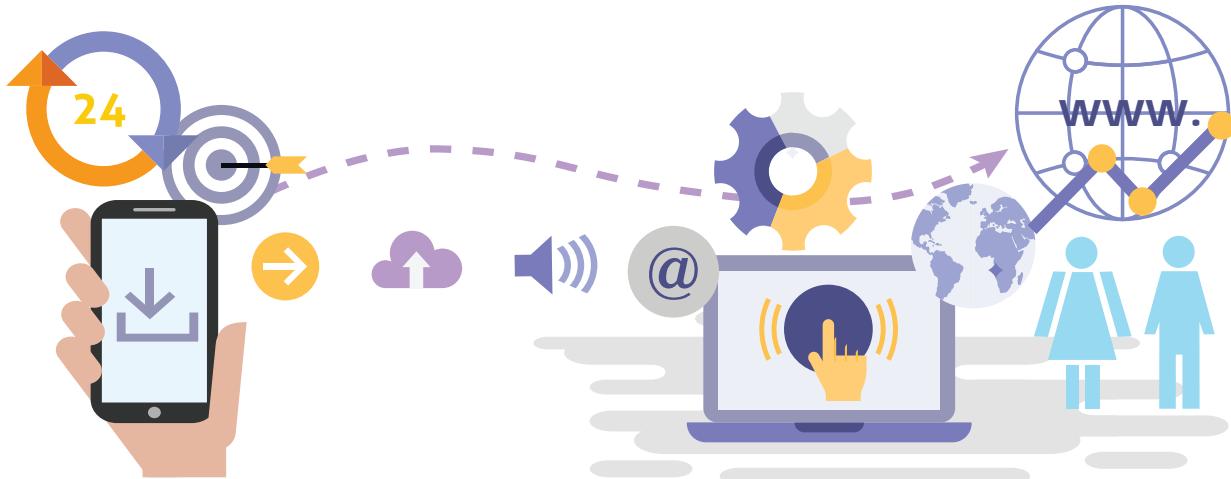
Compliance System



The Company established the Corporate Compliance Department and Compliance Committee (“CC”) and set up the policy of compliance and policy of compliance committee where defines clearly responsibility.

The Corporate Compliance Department directly report to CC. The major responsibility of the Corporate Compliance Department are to create awareness for all staffs on Code of Conduct and Compliance guidance, important business operation related laws and regulations such as Bank of Thailand regulation, Anti-Money Laundering Law, etc. by providing the training and recommendation as well as regular monitors to ensure all staff fully understand and be aware of the importance of compliance including all operation processes perform correctly and aligning with related laws and regulations and the Company’s policies.

CC comprises of all executive directors and top managements where director in charge of Corporate Compliance as chairman. The major responsibility of CC is to discuss compliance matters, approve compliance manual and policy of compliance, monitoring results, etc. When found the problem related to non-compliance on regulations and policies, CC shall consider preventive and corrective measures and report/recommend to board of directors.

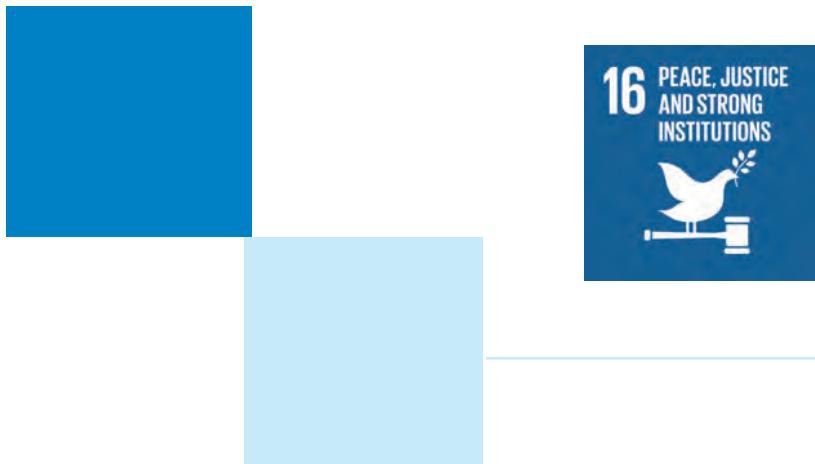


Furthermore, the internal report system is implemented as a channel to receive any non-compliance matters to regulations and policies, staff who realizes wrongdoings in the Company can access to the internal reporting system via channels as follows;

- AEONTHAI191: Report to AEON Thana Sinsap (Thailand) Public Company Limited
- Channel1 – Website
- Channel2 – Telephone
- Helpline110: Report to AEON Co., Ltd (Japan)
- Channel – Website

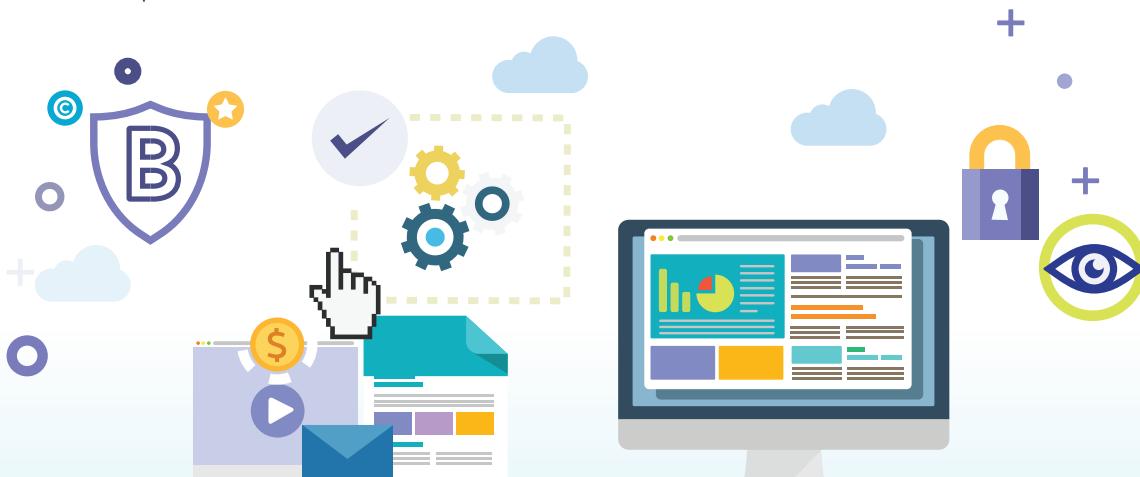
Those channels have no personal data of the reporter, such as name, position, age, gender, etc., need to be disclosed due to safety to staff who report suspicious wrongdoing. After receives this information, the Company shall be able to find the root cause, achieve early detection of the issues, to provide appropriate measures to solve the problems, and to prevent the future occurrence. In addition, the Company has put in place Rules and regulations of entertainment and gift exchanging to the prevention on the abuse exploitation for good corporate governance.

Internal Control and Internal Audit



The Company established an Internal Audit Department as an independent function which directly reports to the Audit Committee. The duties and responsibilities of the Internal Audit Department include reviewing, assessment of efficiency and effectiveness of internal control systems at the corporate level and the level of business-processes, including corporate governance of the Company, its subsidiaries and affiliated companies in the Company's group by applying "Risk Based Approach". Moreover, the Internal Audit Department also evaluate relevant risks on the matters being found and provides consultations and advices with the aim of value added to the Company and improving on operational efficiency and control. According to this, the Company schedules meetings for reports of audit results and rectification approaches to Executive Management on a monthly basis, additionally the summarized of audit results will be reported to the Audit Committee and the Board of Directors on a quarterly basis.

In 2018, the Internal Audit Department performed reviewing and assessing the internal control by reviewing operational and business processes of various departments at the Head Office, Branches and Operation centers in each region as well as its subsidiaries and affiliated companies. Furthermore, compliance audits pertaining to relevant laws and regulations which may relate to the Company, its subsidiaries and affiliated companies were also conducted.



Quality Management System



The Company is provision of variety of retail finance services, including credit card, personal loan, hire purchase, used car hire purchase and web Business. To provide quality service and respond to customer needs, the Company has implemented ISO9001:2015 standard (Quality Management System or QMS) to ensure that the Quality Management System has been developed, continuous improvement and remain effective by ISO standard. The Company has been certified ISO9001:2015 which the scope has covered Head Office, all Centers and branches from Certified Body.

The Company is committed to improving the effectiveness and also develops quality management system continuity which we maintained the quality policy as following;

1) Customers come first

We think, discuss, perform and implement every possible measure to enrich customers' lifestyle

2) Constant improvement for customer satisfaction

We continually develop and enhance the quality of our services and products.

3) Value the voice of customers

We listen sincerely, respond quickly and work hard to earn trust of customers

4) Understand precious time of customers

We provide speedy and timely service to meet needs and expectations of customers

In 2018, the company has developed the SAP Success Factor system for the purpose of facilitating to employees and executives to submit various requests through the system that convenient to search and check information immediately which the supervisor can approve the requests through the system as well.

Kaizen



With rapid and continuous growth of the business, the Company recognizes that good business practice isn't solely about revenue increase but also improvement of the operation qualities such as internal process reduction, cost reduction by waste elimination in order to instantly serve customer satisfaction as well as ensuring of the information security. The company has been applying "Kaizen Methodology" as a part of management tools to increase company's operation efficiency and effectiveness.

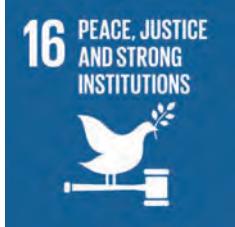
In 2018, Kaizen Section conducted relevant trainings, provided support to employees and encouraged them to engage with Kaizen activities. There were 184 suggestions from various departments. The suggestions were focusing on cost saving, workplace safety, customer satisfaction as well as increase in efficiency and effectiveness of operation process.

One of the suggestions proposed to Kaizen team was "Banks ATM Replenishment" forecast by Regression analysis. The project improves the forecast cash replenishment process from manual forecasting to be systematic forecasting using regression analysis which increases data reliability. The funding costs are reduced by more than 3 million baht per year via daily bank balance control and smoothening the bank balance trend. In addition, the customers can withdraw money every time since Finance team utilizes overdraft bank account to support for this matter which increases customer satisfaction.

As an act of commendation, admiration and support to the involving team, the company has awarded the team with 2018 Best Kaizen suggestion award on February 26, 2019.



Information Security Management System



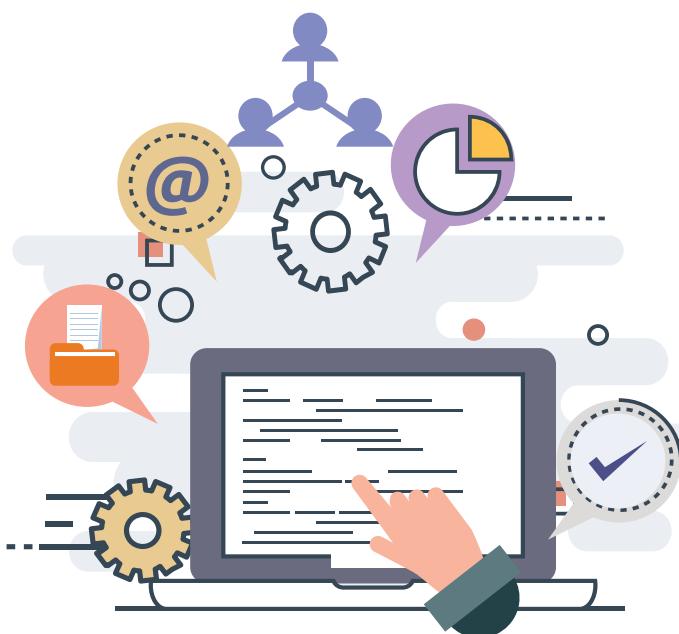
The Company continues to maintain high standard in the Information Security Management System (ISO 27001:2013) seriously to protecting the company's information against loss of the confidentiality, integrity and availability cover all document types of the business.

In addition, The Company considers the business environment by study and identifies all of the external and internal factors that could influence the information security management system using in company, and to get the benefit from those issues to help increase productivity and competitive advantage. The examples of external factor are the economic environment, the customer responsive, business competitor, technology, legal, etc., The example of internal factor are marketing strategy, organization management, and human resource management, etc. These factors are taken into risk consideration and also further protection.

To increase the efficiency of operation and focused on the information security, Company developed and improved by using the high technology to verify the security of information flow in the system such as,

Email Restriction

To ensure that emails are successfully sent and received are secured to prevent all different kind of problems, such as sending confidential data, non-work data and prohibited words to external agents. The company has an information security control process to limit of emails usage such as,



- Confidential information that is containing work related documents, customer and employee privacy data must not be sent externally though email.
- Sending emails is restricted to a maximum of 30 email addresses per time.
- Sending to free email providers such as Gmail, Yahoo, etc. are not allowed. Should have an email address that related to work or business corporation which the permission from Corporate Compliance Department is required.

Furthermore, The Company also concentrates with business continuity to preparing for any issue or situation that could happen any time. The company has set up a backup with the appropriate approach base on the priority of data and arranged BCP Test Plan regularly cover core systems and operation of the company including improved operational risk management and internal control to raise awareness of data protection effectively and to ensuring with customers as well as shareholders and concerned person.

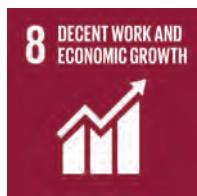
Social Dimension

Stakeholder Engagement



- Financial Inclusion
- Human Resource Management and Human Resource Development
- Human Rights Operations
- Social Contributions

Financial Inclusion

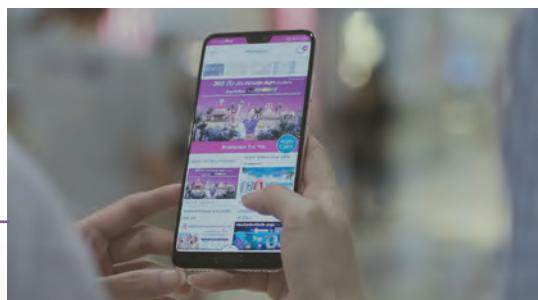


AEON THAI MOBILE

AEON Thai Mobile Application



The Company aware of more opportunities for all groups of our customers whether people who lives in urban area, who residing in remote areas, namely senior senior citizens etc., to gain accesses our products and services anytime and anywhere, AEON Thai Mobile Application is the mobile application was developed to serve financial services on smart phones to customers. The AEON Thai Mobile Application has provides several services functions such as activate cards, check account balance including check payment amount as well as pay bills through the application, happy point redemption and withdraw cash without card and so on. The Company provide credit limit to customers as appropriate for their emergency fund.



Human Resource Management and Human Resource Development



The Company recognizes that employees are a key in driving organization successfully, therefore, we emphasizes on take care of staff closely. The Company encourages staff to learning at all times to increase their potential as well as their chances of progress in work. The Company also creates a proper working environment for staff to have positive attitude and collaborative spirit which initiates to good performance of work and meet customer's requirement.

Human Resource Management

In 2018, AEON had employment opportunities in all regions in Thailand. The Company realizes the importance of individual according to the human rights, ethics and non-discrimination. The Company also gives equal opportunities for all nationalities, genders, religions, race and disability to be able to be a part of the Company's success.

To follow the growth of the Company, we employed 1,145 persons between March 1, 2018 and February 28, 2019, consisted of 257 males (22.4%) and 888 females (77.6%) in all range of ages and regions.

Approximately 82.7% of newly employed are aged 21 to 30 years old and 43.3% of employment was made in Bangkok area followed by Northeast (19.0%) and Northern region (11.9%). And we have employed 45 disabilities staff in all regions.

Gender	Number	%
Male	257	22.4
Female	888	77.6
Total	1,145	100.0

Age	Number	%
Less than 20	25	2.2
21 – 30 years old	947	82.7
31 – 40 years old	159	13.9
41 – 50 years old	14	1.2
51 and Above	0	0.0
Total	1,145	100.0

Region	Number	%
BKK	496	43.3
Central East	106	9.3
Central West	76	6.6
Northern	136	11.9
Northeast	217	19.0
South	114	10.0
Total	1,145	100.0

Average monthly turn-over rate of the Company was 2.0% which made it 1,394 person (female: 79.7%, male: 20.3%) in 2018, highest in Bangkok region of 36.0% and lowest in Central West region of 6.0%. The age of resigned persons was varied but 76.0% was aged 21 to 30 years old. However, the Company recognizes the employee retention is a key for sustainable development of the Company as well.



Human Resource Development

In 2018, the Company has continuously provided training programs and activities to equip our employees with necessary skills and knowledge. Throughout the past year, the Company mainly focused on employee's capability development by enhancing knowledge, refreshing skills and maintaining abilities of employees at all levels to develop the Company's ability to compete in Digital Age. This will comply with the Company's business plan and vision which is set to be a leading retail finance company in Thailand and ASEAN region. In 2018, company provided various trainings to our employees totally 63 courses as follow;

1. In-house Training

29 courses, 455 groups, 10,267 employees

2. Public Training

34 courses, 60 employees

The average attendance hour was 10.48 hours/person. The curriculum focused on giving deeper and better understanding in Legal Compliance, General Data Personal Regulation (GDPR) and Cybercrime, for instances. As well as enhancing updated knowledge to keep up with current and future situations such as Disruptive Technology and Data Analysis and Implementation. In addition, the company organized e-leaning courses for our employees to improve their potential and knowledge for their career path.



Human Rights Operation

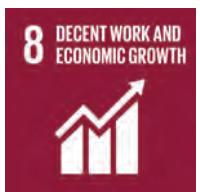


Fair Treatment of Employee

AEON Code of Conduct sets ethical conducts and principles to deal with our employees as one of the most important assets of the Company and not to be treated in discriminatory manner on the basis of nationality, race, gender, educational background, religion or disability. Therefore, the Company ensures fair treatment and equal opportunities for all employees in hiring, salary and benefits, training, evaluation, promotion, discipline, termination or retirement. In addition, the Company treats employees with respect and dignity in an environment free from harassment, victimization and any other unwanted conduct.



Social Contributions



The Company follows AEON Code of Conduct which mentioned AEON aims to set an example as a good corporate citizen, working together with the community for its growth and the improvement of quality of life.

Therefore, the Company promotes and supports implementing charitable activities continuously through AEON Thailand Foundation. The Company initially supported by provides a budget for the Foundation since officially registered in 2007. AEON Thailand Foundation implements charitable activities according to the foundation's objective. AEON volunteers, customers and other stakeholders go along with our activities as well.

AEON Thailand Foundation was announced to be a qualified foundation number 773 by Ministry of Finance on Income Tax and Value Added Tax No. 490 on January 16, 2012. The Foundation has been implementing charitable activities according to its objectives as following,

AEON Thailand Foundation objectives

1. To support and promote the forest preservation
2. To enhance the education and provide scholarship and/or donation to students and/or schools
3. To develop Thai society and promote support of public welfare
4. To operate and co-operate with other charity organizations for public benefit
5. To carry out activities without political involvement

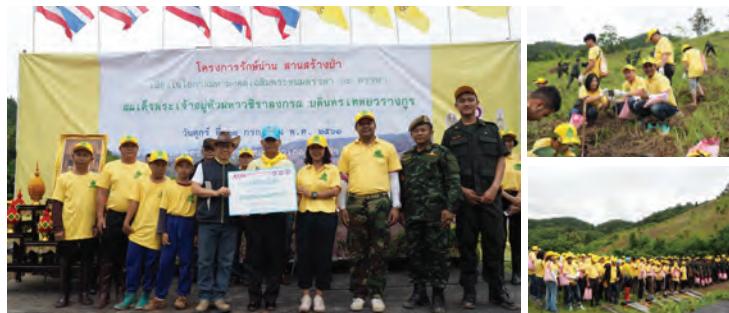
Support and promote the forest preservation



In 2018, the Foundation and 121 of AEON volunteers together with government officer and local people 1,080 persons joined tree planting activities as following details,

July 27, 2018

The Foundation together with Chulalongkorn University and The Rak Paa Nan Group arrange reforestation activity at Ban Thung Sri Thong, Muang Nan district, Nan province.



August 25, 2018

The Foundation arranges tree planting activity at Sri Lanna National Park, Chiang Mai in the area of 70 rai. Also, the Foundation donate drone to Sri Lanna National Park to support their tasks.



November 12, 2018

The Foundation arranges tree planting activity under a project of “3 Forests, 4 Benefits” at Chaopho Luang Uppatham-2 Border Patrol Police School, Sri Lanna National Park, Chiangmai province.



Support Education

The Foundation realizes and emphasizes the important of education for youth, therefore, the Foundation implements various kinds of charitable activities to support and promote education.



June 16, 2018

The Foundation arrange AEON English Speech Contest 2018 with theme "Food and Health" to select students in high school level participating Asia Youth Leaders Program 2018 at Indonesia.



July 10, 2018

Grant AEON scholarship to Border Patrol Police School for 51 schools.



August 3, 2018

Grant AEON scholarship to Association of Children and Youth for the Peace in the Southernmost Provinces of Thailand (Luuk Rieang Group)



September 14, 2018

school, Udonthani province, the Foundation renovated old library and donated books including computers for school.



November 30, 2018

AEON Thailand Foundation together with AEON 1% Club Foundation and AEON Thailand Co., Ltd. grant AEON Scholarship 2018 to 32 students of Chulalongkorn and Thammasat University, worth 70,000 Baht for each student. It's become the 9th year of AEON scholarship.

December 2018 – January 2019

AEON Tutor Year-3 Program was arranged for high school student in Bangkok, Lamphun, Nakornpatom, Khonkaen and Songkla province.



Develop Thai society and promote support of public welfare

September 24, 2018

Grant computers, music instruments, sport equipment and water dispensers to disadvantaged schools and communities nationwide via the Relief and Community Health Bureau, The Thai Red Cross Society



November 24 and December 22, 2018

AEON volunteers carry out AEON Big Cleaning Day at Sukhothai Historical Park and Bangsean beach, Chonburi province. Needy items were donated to both places at the same time.

December 8, 2018

The first AEON Charity Bowling Competition with theme “You are HERO” was arranged to fundraise supporting development of innovation to beat cancer, Ramathibodi Foundation.



January 2019

Smiles and happiness of children is bright. The Foundation arranges Children day activities 2019 for 4 schools in Chiangmai, Udonthani, Songkla and Chonburi province. Moreover, the Foundation supports Association of Children and Youth for the Peace in the Southernmost Provinces of Thailand (Luuk Rieang Group) in arranging the activity for 6 schools in Narathivas province.

Operate and co-operate with other charity organizations for public benefit



September 28, 2018

Cooperate with Fundraising Bureau, The Thai Red Cross Society in granting wheelchairs and shower wheelchairs for disadvantaged elderly people.



September 28, 2018

Cooperate with The Thai Red Cross Society in donating cash to help flood victims in Lao PDR.



October 9, 2018

Cooperate with Operation Smile Foundation Thailand in supporting a surgical operation for children born with cleft and palate.



December 12, 2018

Cooperate with the Cardiac Children Foundation of Thailand in supporting surgery operation for children born with heart disease.



December 18, 2018

Cooperate with the Relief and Community Health Bureau, the Thai Red Cross Society in donating winter equipment to the victims in Lamphun province.



Every 3 months

Moreover, the foundation invites AEON volunteers to donate blood at AEON Operation Center which arrange blood donation activity every 3 months.



Besides, as there were disaster in Japan and Myanmar, the Company also donated cash to help the victims.



Environmental Dimension

Participation in Environmental Care



- Environmental Management System

Environmental Management System



The environmental problem is a global problem that campaign and encouraging all countries to reduce using the natural resources or concerned to the worthwhile of necessary using, help to create technologies for reduce effect of environmental problem.

The company is regarded as directly and indirectly environmental whilst also recognizing and focusing on responsibilities for environmental problems that arise. Therefore, we have applied and certified the Environmental Management System (ISO 14001:2015) covering a whole company and since 2010 at Head office and all centers that shown our commitment of the company to be a part of reduce environmental problems continuously that have a Environmental policy as follows.

1. Strive to continually improve our Environmental Management System to be applied to all business activities with respect to environmental impacts, protect environmental pollution, preserving and natural resources.
2. Ensure that all business activities comply with applicable environmental laws and other requirements.
3. Establish and adhere to our environmental goals and objectives to support Environmental Management System which will be reviewed periodically in order to improve energy efficiency and environmental protection.
4. Build up environmental awareness among employees in order to ensure that the Environmental Management System is effectively implemented.

In 2017, the company coordinate to concerned person for continues the internal and external project.

Internal project such as “The Hazardous / Recycle / General Trash Screening Project” and “Energy Saving Campaign” to let AEONTS’s people become aware of environment responsibilities continued and aims to encourage them to be implemented in daily life as well.

In addition, the company still to be member with external project in “the shred 2 Share Project” or “Change Your Secret into Love” in corporations with Thai British Security Printing Public Company Limited since 2010. The paper management which recycle safely to prevent the information leakage and the paper recycle can be changed to the donation money and sponsor to social development activities as project objective. And this year, this project supported stationary and sports for 110 Border Patrol Police School across the region of Thailand (18 million Bath) which shows that the Company has engaged with environmental and social responsibility.

In 2018, the Company destroyed paper with Shred 2 Share Project total 89.82 tons that decrease 22.23 tons from 2017 after safely degradation conduce to correct way to recycle there can reduce CO₂ emissions, Coal and H₂O as follows.

Reduce Carbon dioxide emissions (CO₂) 23,352.51 kg.

Reduce Coal usage 9,879.91 kg.

Reduce water usage (H₂O) 4,490.87 cu.m..



Total paper of Shred25Share # 10 Project Year 2018													2018
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
AEON	8.44	7.33	9.18	8.51	7.47	8.09	7.39	7.18	5.73	6.94	6.52	7.04	89.82 Tons
All Partners	274.60	384.40	240.91	268.97	252.37	286.82	297.11	331.40	380.93	333.92	306.51	286.25	3,644.21 Tons

Reference: Environmental Saving Report Year 2018 from Thai British Security Printing Public Company Limited

About this Report



The Company prepared Sustainability Report as a channel to report our sustainable development performance in economic dimension, social dimension and environmental dimension to stakeholders. The report covers performance during March 1, 2018 – February 28, 2019.

The Company prepared this report in accordance with the GRI Standards.



Planting Seeds of Growth

We are AEON



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ÆON Thana Sinsap (Thailand) Public Company Limited

