

SUSTAINABILITY REPORT

2019

บริษัท ไทยออปติคอลล กรุ๊ป จำกัด (มหาชน)
THAI OPTICAL GROUP PUBLIC COMPANY LIMITED

TOG
THAI OPTICAL GROUP



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About TOG

Medical Device Class1

Thai Optical Group Pcl.

<http://www.thaiopticalgroup.com>

Our Core Business is in manufacturing spectacle lenses, under the Quality Management System ISO9001, Medical Device Quality System 13485 and Environment Management System 14000, with distribution channels both domestically, in Thailand, and internationally, through our advance supply chain information system, connecting with customers worldwide, across 50 countries, over 6 continents.



2,024 Million THB
Revenue

132 Million THB
Net Profit

BUSINESS ROADMAP

1951-1969

Originally started the business in optical retail shops.



Then, established Thai Optical Company Limited (TOC), the first glass spectacle lenses factory in Thailand.

1970-1981

Started exporting glass spectacle lenses to Europe and Asia. Set up prescription lens surfacing line and plastic lenses pilot casting line.



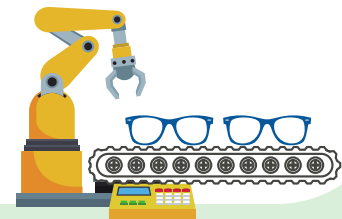
1991-2006

Established TOG, formerly as Thai Polymer Lens Company Limited (TPL), manufacturing spectacle lenses in various types of plastic lens materials, including high impact resistance and high refractive index. Restructured TOC and TOG, to then become a public company and be listed on the Stock Exchange of Thailand.



2007-Present

TOG took over Polysun Company Limited and its manufacturing of sun-glare protection tinted lenses. TOC expanded the Rx Automation of its prescription spectacle lens surfacing line.



TOG USA Inc. was started as a distribution business.

TOG Product Brands



> 30

TOG Product Brands

Lens Designs



TOG
Advanced Single Vision Lens



TOG
Advanced Digital Lens

zenith. zense. zoul. zeen.



TOG
Conventional Progressive Lens



TOG
Occupational Progressive Lens

MAXIMA PRO



TOG
Freeform Progressive Lens



Lens Materials



TOG
Basic Material



TOG
Advanced Material



TOG
Bio-Based Material



TOG
Blue Light Blocker Material



Sun Filter Lens



TOG
Sun Filter & Polarized Lens



Coating



TOG
Premium Lens Coating





CEO'S MESSAGE

“ In the current climate of radical fluctuations in international business and trade, which are influenced by external factors beyond our control, our priority, aside from the health and safety of all of our employees, associates and stakeholders, is to remain calm and manage our business with integrity and reliability. We aim and strive to exceed expectations, in this difficult time, by closely monitoring all internal processes, continuing to care for our customers and keeping all relevant stakeholders well apprised, in order for our business to maintain sustainable growth. ”

Torn Prachartam
Chief Executive Officer

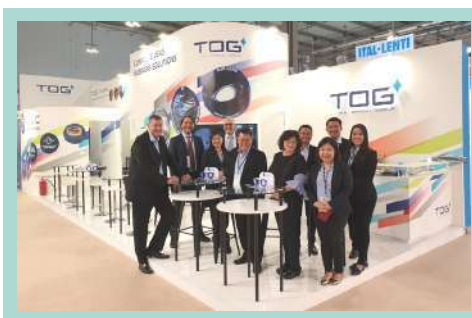
Sustainability, Commitment and Framework

Our company's core business is in manufacturing spectacle lenses, classified as a general medical device. We are fully committed to our core value of benefiting society, with our drive for "Best Caring" practices, through our sustainable development policy, as well as through our social and environmental responsibilities. Listed below is how we implement our intentions and demonstrate our commitment:



1) Caring for Operation Management.

- We utilize advanced information systems technology to link with our business partners' information systems and optimize supply chain operations for customers.
- We closely manage each business relationship with our partners around the world, via our highly trained and experienced international sales teams. The only Thai company in our industry, we have been participating and sharing our dedication at the Mido International Optical Exhibition in Italy, every year, for over two decades.
- We manage our production processes in accordance with all important and strict controls, set out in the quality system for the production of medical devices. Developing and manufacturing products that affect the eye health of spectacle lens wearers of every age requires the utmost care throughout every stage of processing.



2) Caring for People.

- We ensure and promote health and safety in the workplace, including safety measures for pregnant team members. Facilitating internal communication channels, we allow ease of reporting, to prevent and/or uncover any instances of sexual abuse and human rights violations. We regularly assess and ensure labor standards compliance
- Our information systems technology in HR management was implemented to ensure employees can easily understand shift schedule planning, and better manage and balance their work and leisure time.
- To ensure a diverse and well-qualified team, we link our job vacancies and applications with external job recruitment sites.
- For the convenience of our employees, we manage our internal HR communications, personal welfare applications, and accident/health insurance claim applications, to enable fast processing by mobile phone.

3) Caring for Environment.

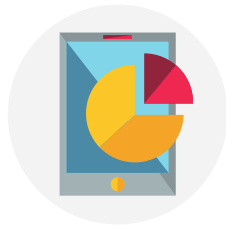
- We promote mindfulness and campaigns to raise awareness and cooperation from employees, on caring for the environment, including separating and sorting of waste and recycling.
- While studying various options related to waste disposal in production processes, and to research how to reuse or recycle waste, we have participated in the **'Waste Reduction and Recycle Project'**, led by the three research groups at Chulalongkorn University:
 - The Center of Excellence on Hazardous Substance Management
 - The Center of Excellence on Petrochemical and Material Technology
 - The Petroleum and Petrochemical College
- We have been exploring options to reuse our crushed plastic lenses, as proportional mixed components, and to find the best ways to make building block bricks.
- The output of our non-load-bearing concrete masonry units have been certified to conform to the Thai Industrial Standard TIS 58-2533, as an alternative way to make use of this waste.
- More over, the waste from our production processes can also be used as combined components for Fuel Blending, instead of ending up as landfill waste.



HR Digital



>1,200
Employees



Performance
Appraisal



Training Requisition & Record



Communication

HR Digital



Self Service



Compensation & Benefit



Recruitment



















Health & Accident Insurance

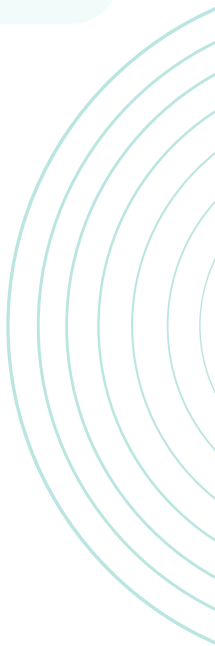


Request
Maintenance
Service

Environmental, Social and Governance (ESG) Risk Management

We manage our business with good corporate governance: our cross-functional team manages risk assessments, covering the supply chain from end to end, all key elements required to run the business, and our impact on all internal and external stakeholders, as well as on the environment. Here are the key critical areas we consistently manage:

Impact in the value chain	Suppliers	Internal operations	Customers	External Stakeholders
Anti-Corruption and Bribery				
Environment: Water, Energy Emissions, Waste Disposal				
Legal Compliance				
Community Engagement				



1) The Collective Action Coalition Against Corruption

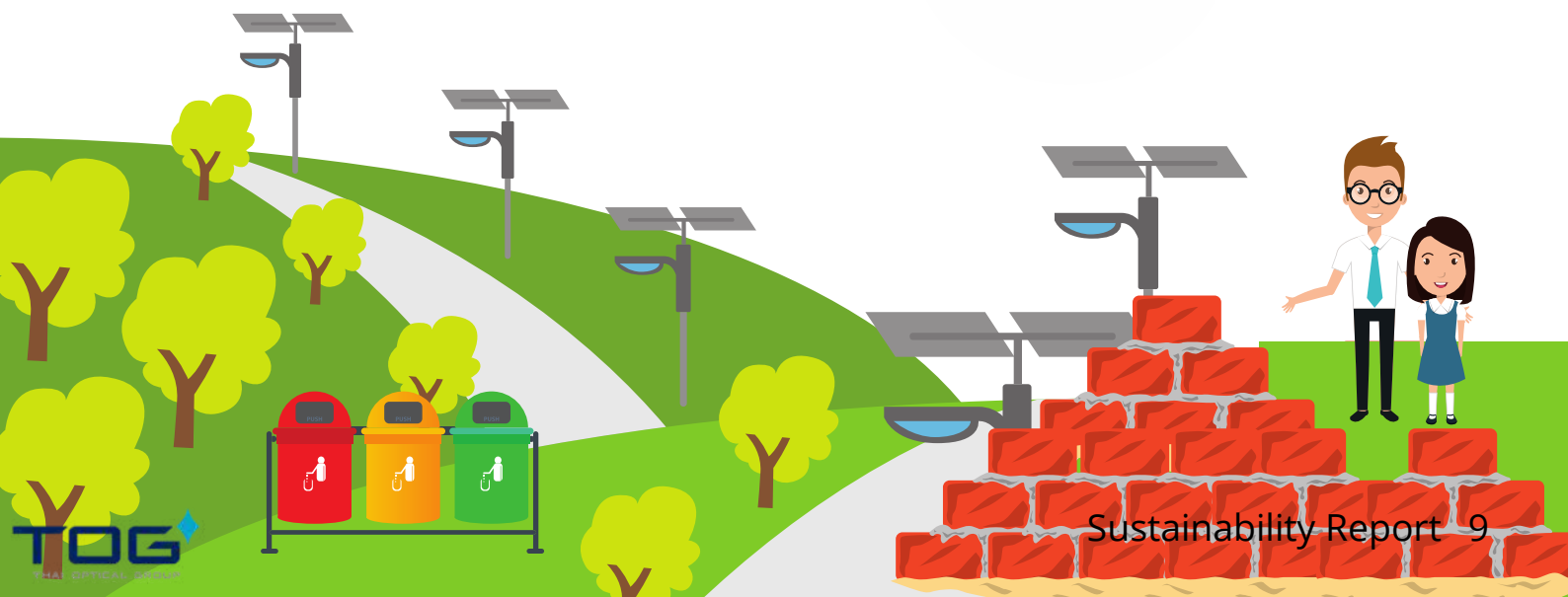
We have participated in the 'Collective Action Coalition Against Corruption' initiative, led by Thailand's Private Sector Collective Action Coalition Against Corruption. This organization arranges regular training and education activities, to promote, establish and implement internal anti-corruption policies and processes, to executives and staff of private companies. We have an open channel with this organization to help ensure clean business practices, directly liaising with our Audit Committee under the Company Board of Directors.

2) Environmental Assessment and Management

It is imperative that we thoroughly and continually consider the impact of our business operations and our stakeholders' expectations, regarding the environment. We remain mindful of managing all environmental aspects, covering water resources, energy consumption, conformance of air emissions, reduction of greenhouse gas emissions, waste and unused material disposal management, environmental impact from packaging materials and relevant legal compliance assessments.

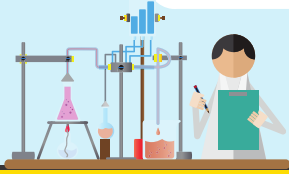
3) Constructive Relationships with Local Communities

We have expanded waste sorting activities, to convert recycled waste into funding for schools in the nearby community. The output of concrete building block bricks, made with a proportional mix of our crushed plastic lenses, was also donated to the school and we are pleased that school has made use of these concrete masonry units, in the renovation of their building.



TOG Value Chain

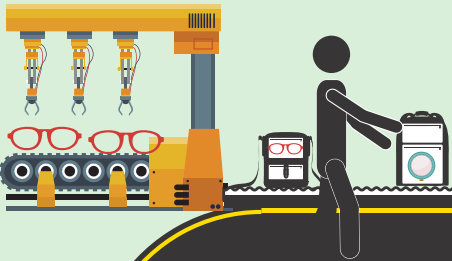
Scientists and researchers
from various fields



Raw material
suppliers



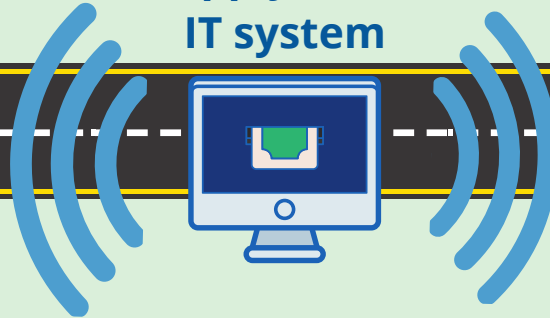
Spectacle lens
surfacing,
cut & glazed labs



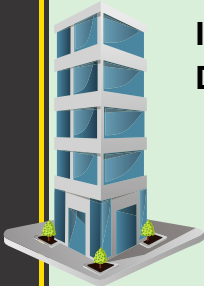
Spectacle lens
manufacturers
Spectacle frame
manufacturers



Supply chain
IT system



Importers and
Distributors



Optometrist
Opticians Retailers



End Consumers



Anti-Corruption

Joining Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), in 2018, the Company prepared the required anti-corruption, self-evaluation documentation, for submission to the CAC for renewal of its certificate. The CAC approved and endorsed a 3-year renewal certificate for the Company on 21st August 2018.

100%

Sign-off acknowledged by:

- Employees
- Business Partners

Communicate Policy

- Via Line@tog4.0



100%

Training course once a month:

- Code of Conduct
- Anti-Corruption

Complaints and Whistle-Blowing Channel against Corruption

Email: anti-corruption@thaiopticalgroup.com

Sealed Letter sent to: Chief Executive Officer or Chairman of the Audit Committee or Internal Audit Manager or Human Resources Manager

No. 15/5 Moo 6, Bangbuathong - Suphanburi Road, Laharn, Bangbuathong, Nonthaburi 11110, Thailand

Website: For External Stakeholders: www.thaiopticalgroup.com
For Employees: Intranet

The Sustainable Development Goals Good Health & Well-Being



Ensure healthy lives and promote well-being for all at all ages

We heed the United Nation's 17 Sustainable Development Goals blueprint and have introduced the **Good Health and Well-Being** agenda, to '**ensure healthy lives and promote well-being for all at all ages**', into our long-term sustainability mission.

Our business has been dealing with the international supply of quality spectacle lenses worldwide, for over 50 years. With over 95% in exports, we have business partners, suppliers and customers overseas, in a variety of organization sizes. Each one commits to managing business to their best efforts, using the latest technologies, to continuously develop and improve their work.

We are incredibly proud to collaborate and work closely together with such suppliers and customers from:

- The quality developments of scientists and researchers from various fields
- Quality raw materials suppliers
- Optical lens manufacturing technology and advance machineries suppliers
- Spectacle lens manufacturers
- Spectacle frame manufacturers
- Spectacle lens surfacing, cut & glazed labs
- Supply chain information systems for accurately managing orders & delivery processes
- Importers and distributors
- Eyesight measurement technologies
- Optometrists
- Eye-shape precision 3D lens cutting technology
- Technical opticians, who cut and mount corrective lenses into spectacles
- Eyeglass retailers taking care of people with eyesight correction needs

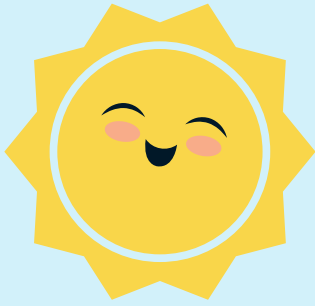
Each plays an extremely important role in creating value within the general medical device supply chain of corrective spectacles.

Each business in the supply chain performs its best to ensure people with vision problems can have access to good quality corrective spectacles, and have their vision problems solved for an affordable price, even extending to complicated eyesight prescriptions and proposing alternative lens options to choose from, best suited to each consumer's lifestyle requirements.

Our company implements '**Best Caring**' practices in management, as well as utilizes various advanced technologies, in order to provide the best quality and value in spectacle lens manufacturing, to meet eyesight correction expectations around the world.

Beyond serving the basic need to see more clearly, we also strive to fulfill people's desires for eyesight correction, which expresses their personality, helps them look great, and feels comfortable, as well as responding to a wide variety of lifestyle-related vision demands placed upon eyewear today, by matching lenses to lifestyles, to enhance well-being.

15.9
Energy Consumption
 (KWhr/Revenue x 1,000Baht)



0.1
Water Consumption
 (CBM/Revenue x 1,000Baht)

13.7
CO2 emission
 (KgCO2e/Revenue x 1,000Baht)



'Water, Energy, Gas Emissions & Waste Management'



Crushed plastic lenses in combined components for concrete masonry units, to be used for school library building



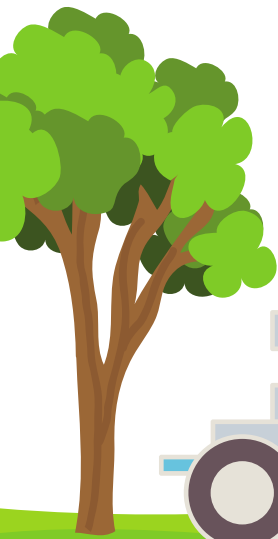
TOG donated **2,000** concrete blocks made from proportionally mixed components, with TOG’s crushed plastic lenses, to Charoenrath Upatham School, to be used as a building material for the new school library (under the Waste Reduction and Recycling Project).

Mixing ratio by weight of concrete masonry unit components, made with crushed plastic lenses:

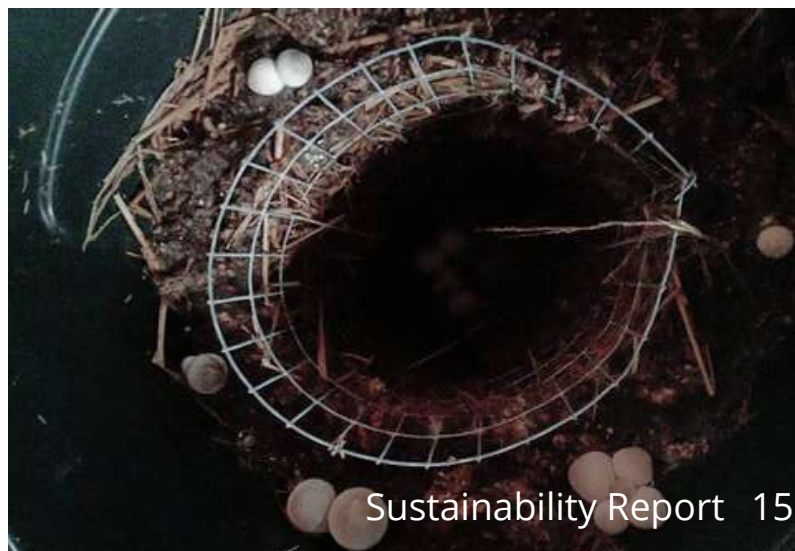
Concrete masonry unit (Block-Lens, B-L)	Portland Cement (Ratio)	Dust Stone (Ratio)	Crushed Plastic Lenses (Ratio)	Water (Ratio)
B-L1.0	1	7.5	0.5	0.5

One concrete masonry unit contains approx. 58 crushed plastic lenses

On average, 4.35 Mpa-Compressive Strength
Passed non-load-bearing concrete masonry unit industrial standard (TIS 58-2533)



Sustainability Highlights



International Quality Standards



ISO 9001
BUREAU VERITAS
Certification

ISO 9001:2015
Quality Management Systems



ISO 13485
BUREAU VERITAS
Certification

ISO 13485:2012
Quality Management Systems
on Medical Devices



ISO 14001
BUREAU VERITAS
Certification

ISO 14001:2004
Environmental Management
Systems



CE Marking



U.S. FDA



Thailand Greenhouse Gas
Management Organization

Recognition Awards

SUSTAINABILITY RECOGNITION

- ESG100 Certificate from the Thaipat Institute.
- Sustainability Disclosure Recognition - from The Securities and Exchange Commission, Thailand.



CARING FOR PEOPLE

- 'Silver Level' of the Happy Retirement Honorable Award from The Securities and Exchange Commission, Thailand.



CARING FOR THE ENVIRONMENT

- 3Rs Award for Good Waste Management and 'Silver Level' 3Rs+ Award for Creativity, Economic Impact & Efficiency in Reducing Waste from the Department of Industrial Work.
- Carbon Footprint for Organizations Certificate from the Thailand Greenhouse Gas Management Organization (public organization).



GRI Content Index

Here are reference informations disclosed on variety of public reports and its related sections cross reference and supplementary information, according to the GRI Standards to demonstrate our sustainability commitment practically in management actions as well as the relevant SDGs-Sustainable Development Goals that substantially supporting.

GRI STANDARD	DISCLOSURE	SECTION CROSS REFERENCE AND ADDITIONAL INFORMATION	SDG
GRI 102 : General Disclosures			
Organization Profile			
102-1	Name of organisation	About TOG	
102-2	Activities, brands, products, and services	About TOG. Please also refer to Nature of Business Section of 2019 Annual Report.	
102-3	Location of headquarters	Please refer to the TOG Information Section of 2019 Annual Report.	
102-4	Location of operations	Please refer to the TOG Information Section of 2019 Annual Report.	
102-5	Nature of ownership and legal form	Please refer to the TOG Information, the Nature of Business and the Shareholder Structure Sections of 2019 Annual Report.	
102-6	Markets served	About TOG and the Policy and the Nature of Marketing Section of 2019 Annual Report.	
102-7	Scale of the organisation	Please refer to the Key Financial Highlights Section of TOG Annual Report 2019 for details of total revenues and its share capital.	
102-8	Information on employees and other workers	HR Digital	
102-9	Supply chain description	TOG Value Chain	
102-10	Significant changes to the organization and its supply chain	Business Road Map and the TOG Milestone Section of 2019 Annual Report.	
102-11	Report how the precautionary approach is applied.	Sustainability, Commitment and Framework and the Report of Good Governance Section of 2019 Annual Report.	
102-12	External Initiatives.	Please refer the Report of Good Corporate Governance Section of the 2019 Annual Report.	
102-13	Membership of associations.	Please refer to the Report of Good Governance Section of 2019 Annual Report.	
Strategy			
102-14	Statement from senior decision maker	CEO's Message and the Message from Chairman Section of 2019 Annual Report.	
102-15	Key Impact, Risk and Opportunities	Please refer to Business Objectives and Future Plans and Risk Factors Sections of 2019 Annual Report.	
Ethics & Integrity			
102-16	Values, principles, standards and norms of behaviour	Please refer to the TOG Mission and Values and the Good Corporate Governance Code 2020 Sections of 2019 Annual Report.	
102-18	Governance structure of the organisation	Please refer to the Board of Directors and Management and the Report of Good Corporate Governance Sections on 2019 Annual Report.	

GRI STANDARD	DISCLOSURE	SECTION CROSS REFERENCE AND ADDITIONAL INFORMATION	SDG
GRI 102 : General Disclosures			
Stakeholders Engagement			
102-40	List of stakeholders engaged by the organisation	TOG Value Chain, Sustainability, Commitment and Framework, Sustainable Development Goal-Good Health & Well Being and the Shareholder Structure Section on 2019 Annual Report.	
102-42	Identifying and selecting stakeholders	Sustainability Commitment ESG Risk Management.	
102-43	Approach to stakeholder engagement	Sustainability Commitment ESG Risk Management.	
102-44	Report any key topics and concerns raised by stakeholders	Sustainability Commitment ESG Risk Management.	
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Please refer to the Report and consolidated financial statements section of the 2019 Annual Report.	
102-46	Defining report content and topic boundaries	Please refer to the Management Discussion and Analysis of 2019 Financial Status and Operating Performance section of the 2019 Annual Report.	
102-47	List of material topics	Please refer to the Policy and the Nature of Marketing and the Business Objectives and Future Plans Sections of the 2019 Annual Report.	
102-48	Restatements of information	N/A	
102-49	Changes in reporting	N/A	
102-50	Reporting period	Please refer to page 214 of 2019 Annual Report.	
102-51	Date of most recent Report	TOG 2019 Sustainability Report was published on March 31 st , 2020.	
102-52	Reporting cycle	TOG Sustainability Report is published annually.	
102-53	Contact point for questions regarding the report.	Please refer to page 97 and page 214 of 2019 Annual Report.	
102-54	Claims of reporting in accordance with the GRI Standards.	Please refer the Report of Good Corporate Governance Section of the 2019 Annual Report.	
102-55	GRI Content Index	GRI Standards	
102-56	GRI External Assurance	Thaipat Institute	
GRI 103 : Management Approach			
103-1	Explanation of material topic and its boundary.	Please refer to the Business Objectives and Future Plans Section of the 2019 Annual Report.	
103-2	The management approach and its component.	Please refer to the Business Objectives and Future Plans Section of the 2019 Annual Report.	
103-3	Evaluation of management approach.	Please refer to the the Management Discussion and Analysis of Financial Status Section of the 2019 Annual Report.	
GRI 201 : Economic Performance			
201-1	Direct Economic value generated and distributed	Please refer to the Report of Financial and the Consolidated Financial Statement Sections of the 2019 Annual Report.	
201-2	Financial implications and other risks and opportunities due to climate change	N/A	
GRI 203 : Indirect Economic Impacts			
203-1	Investments in operating cost and services supported.	Please refer to the Statements of comprehensive income Section of the 2019 Annual Report.	3.Good Health & Well-Being
203-2	Significant indirect economic impacts	Please refer to the Investments in subsidiary companies and Intangible assets Sections of the 2019 Annual Report.	

GRI STANDARD	DISCLOSURE	SECTION CROSS REFERENCE AND ADDITIONAL INFORMATION	SDG
GRI 205 : Anti-Corruption			
205-1	Operations assessed for risks related to corruption.	Please refer to the Report of the Audit Committee Section of 2019 Annual Report.	
205-2	Communication and training about anticorruption policies	Please refer to the Anti-Corruption Policy, linked http://www.thaiopticalgroup.com/sustainability_view.php?content_id=24	
205-3	Confirmed incidents of corruption and actions taken	Please refer to the Report of the Internal Control and Internal Audit System Section of 2019 Annual Report.	
GRI 302 : Energy			
302-1	Energy consumption within the organisation.	Water, Energy, Emissions and Waste Management on Sustainability Report.	
GRI 303 : Water			
303-1	Water withdrawal by source.	Water, Energy, Emissions and Waste Management on Sustainability Report.	
GRI 305 : Emissions			
305-4	GHG emissions intensity.	Water, Energy, Emissions and Waste Management on Sustainability Report.	
GRI 306 : Effluents and Waste			
306-2	Waste by type and disposal method.	Caring for Environment Section of our Sustainability Report.	
	Environmental Management Initiatives	The concrete masonry units made from crushed plastic lenses initiative project.	
GRI 405 : Diversity and Equal Opportunity			
103-1, 103-2, 103-3	Employment related policies and approaches related to inclusion and anti-discrimination.	Please refer to our Employee Code of Conduct and the information on our Sustainable HR Management, linked http://www.thaiopticalgroup.com/career_view.php?content_id=25	
GRI 406 : Non-Discrimination			
103-1, 103-2, 103-3	Employment related policies and approaches related to inclusion and anti-discrimination.	Please refer to our Employee Code of Conduct and the information on our Sustainable HR Management, linked http://www.thaiopticalgroup.com/career_view.php?content_id=25	
GRI 413 : Local Communities			
103-1, 103-2, 103-3	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	ESG Risk Management. Sustainability, Commitment and Framework.	
GRI 416 : Customer Health and Safety			
103-1, 103-2, 103-3	Enhance product responsibility to our communities, corporate social responsibility and customers' health and well-being. Policies relates to health and safety, advertising, labelling and privacy matters relating to products and services provided and notifications.	Please refer to our Industrials Conditions and Competitions and Business Objectives and Future Plans Sections on 2019 Annual Report.	3. Good Health & Well-Being
416-1	Assessment of the health and safety impacts of product and service.	Please refer to Corporate Social and Environmental Responsibility Section on 2019 Annual Report.	

GRI STANDARD	DISCLOSURE	SUPPLEMENTARY INFORMATION	SDG
Stakeholders Engagement			
102-41	Collective bargaining agreements	The Welfare Committee have been elected from employees, according to the Thai Labour Protection Acts.	
GRI 305 : Emissions			
305-1	Greenhouse gas (GHG) emissions (scope 1)	1,576 tonnes of CO ₂	
305-2	Greenhouse gas (GHG) emissions (scope 2)	13,910 tonnes of CO ₂	
305-3	Other greenhouse gas (GHG) emissions (scope 3)	309 tonnes of CO ₂	
GRI 307 : Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations.	There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations during the reporting period.	
GRI 401 : Employment			
103-1, 103-2, 103-3	Employment related policies and approaches. Compliance with relevant human resources related laws and regulations that have a significant impact on the issuer.	Our company has been certified with the TLS-Thai Labour Standard on April 8 th , 2020.	3.Good Health & Well-Being
401-1	New employee hires and employee turnover.	New hires and employee turnover are regularly reviewed at HR Monthly Meeting.	
401-2	Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation.	Health care through the Social Security and Personal Accident Insurance with disability and invalidity coverage.	
GRI 403 : Occupational Health and Safety			
103-1, 103-2, 103-3	General disclosure information on policies and compliance with relevant laws and regulations relating to provide a safe working environment.	Our company has been certified with the TLS-Thai Labour Standard on April 8 th , 2020.	3.Good Health & Well-Being
403-1	Workers representation in formal joint management worker health and safety committees.	Workers' representatives participated in the Safety Committee Monthly Meeting.	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities.	Monitoring and reviews are regularly held in the Safety Committee Monthly Meeting.	
403-3	Workers with high incidence or high risk of diseases related to their occupation.	Monitoring and reviews are regularly held in the Safety Committee Monthly Meeting.	
403-6-a	Facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided.	Ophthalmic care benefits to employees or their parents.	
GRI 404 : Training and education			
103-1, 103-2, 103-3	Employment related policies and approaches on training and development.	Please refer to information on our Sustainable HR management and Internship, linked http://www.thaiopticalgroup.com/career_view.php?content_id=29	
404-1	Average hours of training per year per employee.	17.8 hours per head	
GRI 408 : Child-Labor & GRI 409 : Forced or Compulsory Labor			
103-1, 103-2, 103-3	Businesses should uphold the freedom of association and the effective recognition of the right to prevent child and forced labour.	Our company has been certified with the TLS-Thai Labour Standard on April 8 th , 2020.	
GRI 410 : Security Practices			
103-1, 103-2, 103-3	Security personal training about human rights have been on policies.	Our company has been certified with the TLS-Thai Labour Standard on April 8 th , 2020.	

บริษัท ไทยออปติคอลล กรุ๊ป จำกัด (มหาชน)

15/5 หมู่ 6 ถนนบางบัวทอง-สุพรรณบุรี ตำบลละหาร

อำเภอบางบัวทอง จังหวัดนนทบุรี 11110

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TOG
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