

Enhancing Eco-efficiency and Sustainability in Primary Industry Sector in Thailand under APFED



Key Concept

- Large corporate takes care smaller corporate

“Brotherhood Approach”



SCG
SIAM CEMENT GROUP



SCG Background

- ❑ Founded in 1913 by King Rama VI
- ❑ Listed on the Stock Exchange of Thailand since 1975 with current marketcap of \$3.4 billion.
- ❑ Major shareholder is Crown Property Bureau (32%).
- ❑ Historical roots in Cement, and expansions to include Building Materials, Distribution, Paper, and Chemicals.
- ❑ Key figures of 2008
 - Asset 286 Billion Baht
 - Net sales 293 Billion Baht
 - Employees 27,500 staffs



SCG: First Thai Company to...

- 1972 Promote HR Development's In-house training and MBA scholarship program
- 1975 Listed on the Stock Exchange of Thailand
- 1978 Adopted Quality Circle Program
- 1987 Published Ethics Code
- 1992 Published Environmental Policy
- 1999 Awarded "Thailand Best Practices on Corporate Governance"
- 2002 Awarded "Thailand Corporate Excellence Awards"
- 2002 Awarded Japanese "Deming Prize"
First rank (Building Materials sector) in Dow Jones Sustainability Index (DJSI)
- 2007 Launch "Whistleblower Policy"

SCG Vision

By the year 2015, SCG will be well recognized as an innovative workplace of choice, and a **role model** in corporate governance and **sustainable development**.

We see SCG as a regional market leader, contributing to the sustainable progress of ASEAN, and the local communities where SCG operates.

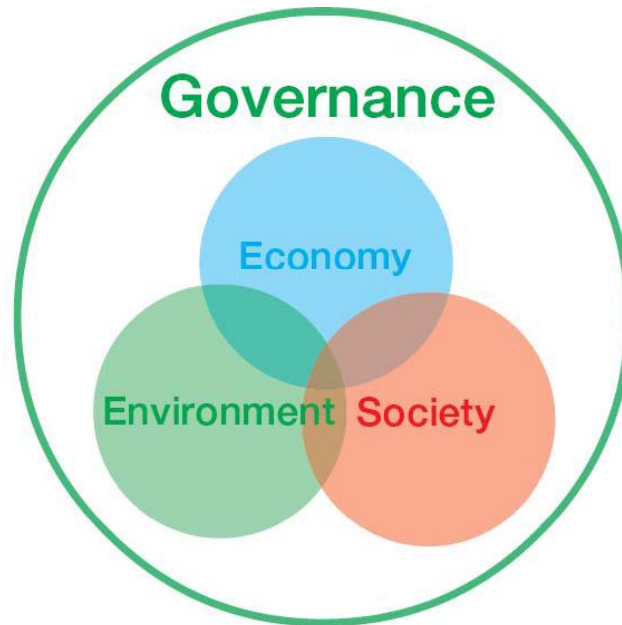
Commitment

Creating value for our customers, employees, and all other stakeholders.



Contributing to the sustainable progress of ASEAN and the **local communities** where we operate.

SCG Sustainable Development Framework



Interdependent & mutually reinforcing pillars

Legal compliance and regulations are minimum requirements for all SCG operations.

SCG Sustainable Development Guidelines

Issue: March, 2008





SCG SD Management Structure

Sustainable Development Committee (SDC)

- 💧 SCG level: all BU presidents
- 💧 BU level:
 - 🕊️ Chairman - BU President
 - 🕊️ Members - All MDs / directors
- 💧 Company level:
 - 🕊️ Chairman - MD
 - 🕊️ Members - all division/department managers

Other Related Committees

- 💧 Governance & Nomination Committee
- 💧 Remuneration Committee
- 💧 Audit Committee
- 💧 Donation Committee
- 💧 SCG Foundation



SD Implementation

- 🌸 **SD MTP @ biz level & AP @ company level, with KPIs, in line with SCG SD Guidelines**
 - 💧 Integrate with biz MTP & company AP
 - 💧 Deploy to all relevant organizational units
- 🌸 **Target setting**
 - 💧 Comparable level to global leader thru benchmarking
 - 💧 3-year projection targets with specific strategies
- 🌸 **Data & Information**
 - 💧 Systematizing
 - 💧 Consistency, Accuracy, Reliability, Transparency
- 🌸 **Communication system**
 - 💧 Ensure the understanding of employees at all levels
- 🌸 **Assurance system**
 - 💧 External assessment & verification

Corporate Governance



SCG Excellent Internship Program

Environment



EMS for SMEs



SCG helps Drought Victims



SCG Concerning water

Human Development



- Donation
- SCG Scholarship
- SCG Science camp
- Young Thai Artist Award
- Early Child Development
- SCG Badminton
- Rescue Robot

Social Contribution



"Tsunami" Fund



Disaster

Industry Sector in Thailand under APFED

und

- Thai SEMs have less capacities
 - Technical knowledge and management technique
 - Public participation
- Remaining conflict and rough relationship between enterprise and community

Integrating Environmental Management

“System EMS” with

Corporate Social Responsibility (CSR)

and

Social-Friendly Business”

Objective

- Go towards ...
 - Environmental-friendly
 - Social-friendly

“Eco-Industry”

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Methodology

- Providing assistance for smaller business
- Increasing efficiency of the corporate by reducing raw materials, energy consumption, natural resources and pollution by:
 - Environmental Management System (EMS)

The core activities are training and coaching

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Targeted industries: 7 factories

- Rice mill 2 pilot factories
- Canned food 2 pilot factories
- Canned fruit 1 pilot factory
- Construction material factories 2 pilot

Internal Implementation

Eco-efficiency improvement within factory (EMS and SGA)

- Capacity building for workers in all levels

- Environmental Management System (EMS)
- Cleaner Technology (CT)
- Total Energy Management (Thermal /Electrical)
- Pollution Control



External Implementation

Eco-efficiency improvement outside factory (CSR)

- **Improvement of social relationship** between entrepreneur and community
 - Information disclosure and factory visit by community
- **Climate change : Adaptation & Mitigation**
 - Adapting the concept of cleaner technology (CT) for resource management in schools
 - Planting mangroves



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Eco efficiency improvement outside factory (CSR)

- **Supporting education** for the youth
 - Establishing learning centers and green libraries for schools
- **Promoting jobs** for community
 - Improvement and dissemination of cultural tourism for communities
 - Training on guide tour for



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Outputs

Internal Implementation

- Electricity saving: 596,800 kWh/year
- Fuel saving: 10,121 liter/year
- Water saving: 61,960 m³/year
- Resources and chemical:

External Implementation

- Improvement of relationship between enterprise and community
- Livelihood improvement in local community
- Environmental improvement in community

Outputs

Climate change : internal implementation

Mitigation & Adaptation

- GHGs reduction from energy saving, reduction of resource consumption and waste generation (wastewater, waste, raw material and others), and small group activities

No	CO ₂ reduction
1	22
2	102
3	199
4	111
5	1,448
6	57
7	47.27
Tota	1.985

Outcomes

- Need to be followed up the implementation results (both inside and outside factory) in order to see the actual outcomes of the project and its activities

**Thank you for your
attention!**