**SCG ESG Factsheet : “Social” Responsibility Projects**

SCG is dedicated to operating businesses alongside social and environmental development. Importance is placed upon managing issues that affect the way of life and its qualities. We seek to strengthen economically, reduce social inequalities, and balance the ecosystem, aligning with the ESG notion practiced for sustainable operations by businesses worldwide.

**Overcome drought and poverty project**

Inequality, a crucial social problem in Thailand, stems from lack of knowledge, lack of opportunities, and natural calamities such as droughts and floods. This affects farmers in the agricultural sector which is a large population of the country.

SCG, together with the drought alleviating communities, are continuing, maintaining, and extending the initiatives of the late His Majesty King Bhumibol Adulyadej the Great and His Majesty the King. This is achieved by empowering the communities to be self-sustained, learn water management, and acquire sufficient water for farming while embedding marketing know-how, lessons to add value by processing products, and how to build on stable incomes. This has proven to contribute to sustainable development communities, the model that will create the “**overcome drought and poverty**” projects nationwide.

6 steps in the “**overcome drought and poverty**” model

1. **Unity and self-reliance**
   * + Unity and autonomy
     + Practicality and solutions with knowledge
2. **Harness technology for water management**

* Learning the water management practice, following the royal approach
* Know the land, learn the needs, balance water resources
* Harness information technology to plan for water sources development

1. **Know the water sources, learn to store, learn to use**
   * + Build reservoirs for water to drink, use, and farm, all must be sufficient
     + Efficiently reuse water with the water circulating system
     + Restore watershed forests for water supply
2. **Adopt integrated farming to manage risks**
   * + Plant vegetation for consumption, use, and sales, for stable income
     + Plan for proper plantation to fit the land and air
3. **Know the market, target the consumers**
   * + Planting products that are in market demands
     + Processing the products to add value
     + Capture sales channels that reach consumers
4. **Build value-added economies for sustainable development communities**

* Join forces for strong communities
* Manage agricultural produces and marketing operations
* Manage finance and welfare

Once the communities are united and adopt the sustainable water management approach based on knowledge and technology for water consumption planning, SCG, and the networking alliance believe that they will accomplish in reserving water for consumption and sustainable farming. This notion has assisted over 38,000 households, uplifting 190 communities in 34 provinces across Thailand. In the following year, the target will expand to 9 areas in 8 provinces.

**Strong community project**

Amid the economic downturn, unemployment moves in while people move back to the countryside, jobless with no income. SCG started the “**strong community**” project to provide training for social enterprises alongside fostering of moral, seeking to inspire the community to open for development. They are provided knowledge on processing products to add value and uniqueness while learning marketing ideas for branding and expanding to the online market as well as planning their lives towards sustainability. The project began in 2018 when SCG supported communities via the “**strong community**” project by offering knowledge and morality perceptions that led communities out of crises. The workshop began in 13 provinces namely Lampang, Saraburi, Kanchanaburi, Nakhon Si Thammarat, Chiangrai, Phrae, Udonthani, Ubon Ratchathani, Lamphun, Uttaradit, Buriram, Phitsanulok, and Tak, a total of 400 members. The objective was to provide knowledge alongside moral concepts. Also, the project seeks to inspire the community to open for self-development by processing products to add value, uniqueness, and good standards. Moreover, the marketing elements are applied to build brands and expand the sales channel to both offline and online outlets. Additionally, they are also provided advice on planning towards a sustainable life.

The are various success stories of communities that turned crisis into opportunity during the pandemic.

***“Mam” Sirikamol, the salted egg entrepreneur*** from Tha Muang district, Kanchanaburi province who captured opportunities during COVID-19 with unique merchandise. Her products are the gem salted eggs which are coated with various herbs such as turmeric yellow (gold), pandanus green (emerald), sappan red (ruby), roselle purple (gem). The items are colorful with pleasant scents and are tasty yet are low in sodium, perfect for healthy food lovers. Also, the package gives tips on how to enjoy them as medium-boiled eggs. Interestingly, once the store went online, the sales rose to at least 2,000 eggs a month, welcoming a four-fold income increase.

***“Ae” Surat Tiemmekka, the Malee gardener*** who caught the right trend and acted quickly as health-conscious consumers grew while Thai herbs were becoming known to heal and alleviate illness, including the COVID-19. In the past, there are research about Andrographis Pinaculata and Fingerroot, explaining their abilities to prevent and resist the increase of COVID-19, thus, turning them into the highest trending herb during the pandemic. Ae adapted to the trend and processed the herbs into capsules. This increased sales to over 10,000 THB, similar to pre-COVID times, and this success model inspired various other communities.

SCG further contributed to the “**shop to help the community**” initiative by selecting products from the project that are good in quality, clean, and safe, for their space in the product catalog. This attempted to draw more consumers so they can easily access the items via the online platform, which are delivered from the communities to the homes. Please contribute to making the community products develop sustainably and support them through the crisis by “shopping to help the community”. Browse the products at <https://my.eboox.cc/shop/> where SCG invites you to purchase the finely selected products, from the producers to your doorstep. This project has assisted 400 members in 13 provinces and, next year, plans are underway to recruit 200 more members in 14 provinces.

**Taksa Pipat School (Skills Development School)**

Recognising the importance of road safety, SCG established the Skills Development School, a private non formal vocational school authorised by the Ministry of Education and complying with the National Education Act. The purpose of the school is to develop personnel to have awareness, knowledge, and skills in road safety.

**Philosophy of Taksa Pipat School**

Taksa Pipat School has adopted the principle of development according to the royal initiative “Understand, Access, Develop” as a philosophy and the heart of teaching and learning.

● Understand : Enabling the understanding of basic information by studying all dimensions of information and gathering necessary knowledge to develop and pass on to learners.

● Access: Communicating and encouraging learners’ engagement by focusing on creating learners’ understanding and confidence so they can analyze problems and extensively participate in the development process.

● Develop: learning to develop skills and extend networking. Course designing. Brainstorming and hands-on practice. Giving advice, monitoring and evaluating the both in the country and in ASEAN.

**The objectives of Taksa Pipat School**

● to give knowledge and raise awareness of safety as well as to develop working skills through upgrading of knowledge and skills of freight drivers

● To promote and implement the safety among driving personnel. The promotion will sustainably help reduce road accidents.

● To encourage cooperation between government and private sectors in human resource development in line with national development.

**140,000 people have passed the training from the school from 2011 to 2019.**

During the spreading of covid-19, “Taksa Pipat School” conducted two driver training courses to enhance skills of more than 200 unemployed, namely the driver course for land transportation and forklift operator course. All trainees got employed immediately at the completion of the courses.

**Organisations that had their employees trained at Taksa Pipat School.**

● Logistics drivers such as companies in the SCG group, Thailand Post Co., Ltd.

● Ambulance drivers for government hospital and private hospitals such as Kasemraj Hospital Saraburi.

● Other private companies such as Carabao Tawandang Co., Ltd., Green Sports Co., Ltd., Siam Winery Co., Ltd., TARF Co., Ltd., Man Management Service Co., Ltd., Film Archive (Public Organization).

● International organizations such as the German Organization for International Cooperation (GIZ)

**List of partner network**

● Department of Land Transport

● Academic Center for Road Safety

● Accident Prevention Network Office

● Military Occupation Development Committee, the Royal Thai Navy

● National Institute for Emergency Medicine

In 2021, the school provided free training courses to help more than 230 trainees who are unemployed or need extra income. It aims to add 100 trainees per year.

**“Burning Less” Model Community**

Forest fires and smog in Lampang recur every year in January to April. The incident affects the condition of forests, wildlife, the health of the locals, transportation system, and the economy of the province. Forest fires are caused by farmers burning agricultural waste to prepare farmland or to search for non-timber forest products. To solve such problems, an energy and environmental management policy is set to reduce carbon dioxide (Net Zero Emission) and to promote renewable energy instead of fossil fuels. The policy leads to "**Burning Less Model Community**” project with the cooperation of the government sector, the private sector as shown in the picture below.

**The problem at the project site**

Forest fires and smog in Lampang occur every year starting in January and tending to spread out extensively in March to April. The incident affects the condition of forests, wildlife, the health of the locals, transportation system, and the economy of the province. Forest fires are caused by farmers burning agricultural waste to prepare farmland or to search for non-timber forest products. Forest fires are mainly caused by farmers burning agricultural waste to prepare farmland or to search for non-timber forest products.

The Siam Cement (Lampang) Co., Ltd. has an energy and environmental management policy to reduce carbon dioxide (Net Zero Emission) from the cement production process. In addition, the government promotes renewable energy instead of fossil fuels such as biomass fuels from agricultural waste in open areas and forest areas. The project will expand to Chiang Mai and Phayao as well. With such vision, the project "Burning Less Model Community" was initiated with the cooperation of the government sector, the private sector.

**Expected achievements**

● Reduce the burning in open area by 7,075 rai.

● Eight “Burning Less Model Community” were created and serve as a role model for communities in other areas.

● Reduce effects on health

● Strengthen the community and bring income to the community.

● Promote government policies.

Currently, The Siam Cement (Lampang) Co., Ltd. uses a total amount of 96,000 tons/year of alternative fuels namely rice husk, rice straw, corn husks, wood chips, RDF or 16% of total fuels consumed. In 2022, the company aims to use 144,000 tons/year of alternative fuels or 24%. of total fuels consumed.

**Community Waste Management Project**

SCG is committed to promoting systematic waste management and driving changes in production and consumer behavior in accordance with the circular economy principles. The effort started off with SCG employees in 2018 through a Bang Sue Model, a waste management program implemented at SCG Headquarters at Bang Sue. The project met with an enormous success, instilling the idea and inspiring employees to manage waste at source in line with the concept “Maximize resources, segregate waste, and dispose of waste properly”. It was found that the employees achieved 100% accuracy in waste segregation, reduced over 22 tons of waste per month, and utilized 110% of waste. The successful model has been expanded to communities surrounding SCG plants to create a model community with integrated waste management and expand to other networks in every sector.

**The Ban Pong Model**

Building upon a waste management model at Ban Rang Phlub Community in Ban Pong, the Ban Pong Model is a successful expansion at the Amphoe level, winning the Zero Waste Community award in the large-scale village category in 2020 from the Department of Environment Quality Promotion. With support from SCG, 17 local administrative organizations in Amphoe Ban Pong as well as government and private sectors and the locals, the Ban Pong Model aims to expand the zero waste community effort to cover all 183 communities in Amphoe Ban Pong by 2023. In 2020, the Model extended its coverage to 59 communities, resulting in a 93% reduction in organic waste and waste management value of 1.23 million baht. Moveover, it has transformed the Amphoe once plagued with overflowing trash into a clean city. Three of the participating communities were chosen to represent the region for the national Zero Waste Community award including Ban Nong Mai Fao, Ban O I Khieo,and Ban Nong Takhaeng.Ban Nong Mai Fao, Moo 4, Khao Klung district received an honorable mention from the Zero Waste Community award at the national level in its first attempt.

**Waste to Wealth**

To materialize the circular economy principles, promoting participatory engagement of all sectors is key to achieving sustainable development. To that effect, SCG has compiled lessons learned from multiple waste management efforts into a book entitled “Waste to Wealth”, consisting of 12 successful waste management models in line with the circular economy principles that can inspire and be expanded into an extensive waste management network at a national level. The key to success rests with the determination of the leader and the engagement of everyone in the community that can make change happen. As the amount of waste decreases, the quality of life improves as a result. Also, it creates sentimental value, fosters relationship, builds strength, and generates income for every community.

The “Waste to Wealth” book is available for download at <http://ebookservicepro.com/showcase/wastetowealth/>

**The Learn to Earn Project**

The SCG Foundation has carried out the Sharing the Dream project for over 58 years to provide scholarships to children and youths from elementary to tertiary levels who are in need and have demonstrated good conduct and determination to study, empowering them to complete their education and have a career to earn income to support themselves and become a good member of society.

To date, the Foundation has granted over 100,000 scholarships with a total value of 1,000 million baht. The scholarships are unencumbered and will be continuously granted until the beneficiaries graduate with a Bachelor’s Degree.

In the wake of the evolving circumstances that make it harder to find a job, it is vital that individuals develop strong professional skills that will be valuable to job employment. To bridge educational divide and ensure better chances of employment, the Foundation has initiated the Learn to Earn project, providing scholarships to recipients in the fields that address the market demand and enable them to make a living. The scholarships are classified into three categories:

1. Formal education encompasses the levels of vocational certificate, high vocational certificate, and bachelor’s degree in public health, medical education, industry, digital technology, modern agriculture among others. A total of 1,200 scholarships have been granted in 2021.
2. Short courses that are in demand and could be completed in a short period of time (less than one year) and lead to quick employment. Examples include courses for nursing assistants, dentist assistants, caregivers, tranditional Thai massage practitioners, handymen, farmers growing cash crops or raising livestock. In 2021, over 120 scholarships have been granted.

**The scholarship amount per year**

* Vocational certificate 19,000 baht
* High vocational certificate 25,000 baht
* Bachelor’s Degree 26,000 baht
* Short course 25,000 baht

In the past year, the SCG Foundation provided a total of 100 scholarships and plans to grant another 200 scholarships next year.

**The Bueng Bang Sue Project**

The Pracharat-Bang Sue Pond Development project is dedicated to “restoring community and building a sustainable society” by transforming the deteriorating informal settlements with no legal link to basic infrastructure into a model city community. With the synergistic cooperation of the community, SCG, and the government sector, some 200 households in the Bang Sue pond areas are now enjoying “a new house and a new life” with a better quality of life that they were fully engaged in the design process. They pledge to keep the community in good condition, enabling it to grow stronger in a sustainable way.

**History of “Bueng Bang Sue” (or Westerners’ Pond)**: History of Cement Production in Thailand

Foreseeing the importance of national development by depending on one’s own resources to ensure sustainability, His Majesty King Vajiravudh decreed the establishment of the first cement company in Thailand under the name Siam Cement Co.,Ltd. The company’s first Bang Sue Plant began operations in 1915.

“Bueng Bang Sue” areas were once a source of major raw materials for the manufacture of cement for the country’s development.

* Siam Cement Co.,Ltd’s Bang Sue Plant played a vital role in the country’s development as Thailand’s only cement manufacturer back then. The plant allowed Thailand to produce its own cement instead of importing it from Europe. The cement output from the Bang Sue Plant was used for the construction of numerous infrastructure and buildings such as Hua Lamphong Railway Station, Rama VI Bridge, the Dusit Thani Hotel as well as buildings, housing, commercial districts among many others which have contributed to the nation’s advancement to this day.
* Bueng Bang Sue was a source of “ball clay”, a major raw material in the manufacture of cement at the Bang Sue Plant. The areas have thus attached significance to the country’s development path. Siam Cement Co.,Ltd began securing ball clay from Bueng Bang Sue as raw materials in 1915.

**Bueng Bang Sue Community**

* Apart from obtaining raw materials from Bueng Bang Sue, Siam Cement built shelters in these areas for workers and their families as well as workers guarding the machinery to reside in giving rise to “Bueng Bang Sue Community (or Westerners’ Pond) ever since.
* After the company discontinued the use of Bueng Bang Sue in 1968, the early community comprising families of workers having worked for SCG have stayed on from one generation to another. They were later joined by migrants from Bangkok and other provinces, resulting in the rapid expansion of the community and over crowdedness. Since the community had turned into a squat, it had no legal link to basic infrastructure such as water, electricity, community waste management, etc. This led to multiple social issues including quality of life, economy, education, unemployment, and disintegrating environment.
* A new home for a better quality of life 60 townhouses, four common residential homes, three 4-story condominiums with a total of 133 units were built in Bueng Bang Sue areas, spanning over 61 rais. To date 1,500 residents have lived in warmly and safely there.

The Pracharat-Bang Sue Pond Development project that integrated the collaborative efforts of both government agencies and the private sector has contributed to a full-scale development of the community.

* The government gave approval to the project and set up a working committee on the Pracharat-Bang Sue Pond Development Project comprising representatives from the involved agencies to support and coordinate the efforts in the same direction.
* The State Railway of Thailand (SRT) permitted the use of its land as entrance to the community.
* The Government Lottery Office donated 200 million baht for the construction of facilities, fulfilling the needs of the community for housing and a decent life. This has helped elevate the community’s quality of life and dignity.
* The project fully engaged the community in the process of developing the housing project and transforming the pond area into a recreational area for public use.
* The project was carried out by a network of organizations with applicable knowledge and expertise including the Community Organizations Development Institute, the National Urban Poor Community Federation, School of Architecture, Sripatum University, Chatuchak District Office, and SCG.

**Developing housing and quality of life for the community**

* The project has ensued good quality housing and transformation of people’s attitude and way of thinking, instilling a sense of caring, collaboration, and volunteerism. This will hopefully bring about a community that boasts “homes and a way of life” as a result of their participatory involvement in the development project.
* The community was fully engaged in the process, starting from the confirmation of rights to participate in the project to ensure equality and fairness, saving money for installments, jointly designing the housing that matches their lifestyles, setting co-living rules, and taking care of the environment and cleanliness of the community.
* To increase their household income, the project supports and encourages the community to grow organic vegetables, make waste compost, and plans to further develop the land for public benefits.