



บริษัท อาร์ ซี แอล จำกัด (มหาชน)  
Regional Container Lines Public Company Limited



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## MESSAGE FROM CHAIRMAN

*Dear Shareholders,*

The year 2023 was a challenging year for the container shipping industry. The global economic slowdown, geopolitical tensions, high fuel prices as well as high-interest rates all impacted the container shipping business. Regional Container Lines Public Company Limited ("RCL" or the "Company") remains committed to maintaining the strength and sustainability of its business by implementing a range of strategies. These include rejuvenating and enhancing the fleet, expanding into new markets, engaging with customers, and fostering social and environmental awareness. RCL remains committed to maintaining the strength and sustainability of its business by implementing a range of strategies. These include rejuvenating and enhancing the fleet, expanding into new markets, engaging with customers, and fostering social and environmental awareness.



### **Rejuvenate and Enhance the Fleet**

In 2023, the Company continued to focus on enhancing the fleet's capability by retiring old vessels with high operating hours and acquiring new vessels with cutting-edge designs and various sizes to meet customer needs and support the Company's future business expansion. The new vessels invested in 2023 are all highly efficient with state-of-the-art technology and environmental friendliness, which has a positive impact on the overall fleet. Consequently, as of December 31st, 2023, the Company has 41 vessels with a capacity of 107,708 TEUs and an average age of 15 years. In addition, in 2024, the Company has scheduled to take delivery of additional new 7,000 TEUs and 12,000 TEUs vessels to rejuvenate the fleet, increase flexibility, and capitalize on business prospects. The ongoing expansion of the fleet underscores the Company's commitment to a sustainable future and aligns with its vision and strategy.

### **Expand Business Opportunities into New Markets**

Amidst the challenging market conditions and rapid changes, the Company adjusted its business strategy to the situation by expanding its shipping service network to new high-potential and growing areas and markets, including the Indian Subcontinent, the Middle East, and East Africa. Furthermore, the Company has launched reefer container and logistics services to address customer requirements, reach new customer segments, seize business opportunities, and fortify its long-term business prospects.



## Engage with Customers, Enhance Efficiency

Additionally, the Company prioritizes customer engagement in line with its customer-centric strategy. This involves developing various operational systems that enable customers to easily create and modify bills of landing, thus streamlining processes. Furthermore, the Company has optimized operational efficiency by integrating Robotic Process Automation (RPA) and Artificial Intelligence (AI) into its workflows, reducing redundancies and enhancing workforce productivity. These system advancements enable the Company to meet customer needs more effectively and efficiently. Moreover, they elevate the customer experience, ensuring maximum satisfaction.



## Advancing Towards Environmentally Friendly Shipping

The Company conducts its business with environmental responsibility, striving to adhere to the International Maritime Organization (IMO) regulations to reduce greenhouse gas emissions and marine pollution. This includes the sales and replacement of old vessels with new vessels to minimize fuel consumption and facilitate the use of alternative environmentally friendly fuels. These new vessels feature cutting-edge designs, with a focus on efficiency and sustainability.



## Steadfast Amidst Challenges, Pursuing Sustainable Growth

Amidst the fluctuations in the maritime shipping industry and the global economic downturn, in 2023, the Company maintained its total revenue at THB 27,137 million and achieved a net profit after impairment on vessels of THB 1,502 million. This accomplishment is attributed to the unwavering commitment to business operations through the aforementioned strategies, stringent cost control measures implemented by the management, and the dedication of all management and employee of the Company.

On behalf of the Board of Directors, I would like to express my sincere gratitude to all shareholders, customers, employee, and business partners who always support and put their trust in the Company throughout. With a steadfast commitment, we aim to continuously develop our business with a vision to be a leading provider of reliable regional container carrier services, creating value for all stakeholders and achieving sustainable growth.

(Dr. Jamlong Atikul)

Chairman of the Board of Directors  
Regional Container Lines Public Company Limited

# 02 REPORT OVERVIEW

At RCL, we are committed to integrating sustainability into its core business operations through a comprehensive policy, strategy, and operational framework.

The company's sustainability policy focuses on promoting environmental stewardship, social responsibility, and strong corporate governance. Strategically, RCL aims to reduce its ecological footprint by implementing green procurement practices, adopting advanced technologies for operational efficiency, and ensuring compliance with international environmental regulations. Socially, RCL emphasizes human rights, fair labor practices, and community engagement, and educational initiatives.

The operational framework includes robust guidelines in the Employee Code of Conduct, annual training, and a dedicated Sustainability Committee to oversee and drive these initiatives. RCL's sustainability efforts are detailed on its corporate website, and it communicates regularly to employees to foster a culture of responsibility and continuous improvement. The Company adheres to a policy of free and fair-trade competition, complying with the legal frameworks in the countries where it operates. This approach ensures equitable treatment of business partners, customers, and all stakeholder groups, thereby fostering sustainable practices for all parties involved.

The Employee Code of Conduct is communicated to employees annually to enhance their awareness and understanding of these standards.

## 2.1 PURPOSE OF THE REPORT

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The 2023 Sustainability Report provides a comprehensive overview of our sustainability efforts, strategies, and performance over the past year. The report aims to communicate our unwavering commitment to integrating sustainability into our core business operations, emphasizing our dedication to environmental stewardship, social responsibility, and strong corporate governance.

One of the primary purposes of this report is to ensure transparency and accountability to our stakeholders, including shareholders, employees, customers, suppliers, regulators, and local communities. We aim to build trust and demonstrate our adherence to ethical and responsible business practices by offering detailed insights into our sustainability initiatives and outcomes.

This report also functions as a tool to track and report our progress towards sustainability goals and objectives. It includes our achievements in critical areas such as greenhouse gas emissions reduction, energy efficiency, waste management, and social impact. By showcasing these metrics, we clearly show how we are advancing our sustainability agenda.

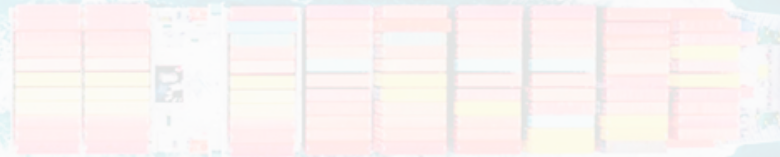
Engaging with our stakeholders is another crucial aspect of this report. By sharing our sustainability journey and inviting feedback, we foster a two-way dialogue essential for shaping our sustainability strategy and driving continuous improvement. The report reflects our commitment to considering stakeholder input as a vital component of our sustainability efforts.

Lastly, the report aims to demonstrate RCL's leadership in sustainability within the maritime industry. This document is a testament to RCL's proactive efforts to create long-term value for all our stakeholders while fostering a positive impact on the environment and society.



## 2.2. SCOPE OF THE REPORT

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This Sustainability Report covers the company's sustainability performance for the fiscal year ending 31 December 2023. The report is structured to provide a comprehensive overview of RCL's ESG initiatives and its impact on stakeholders and the broader community.

### ◆◆ **Reporting Period and Boundary**

The report includes data and information from 1 January 2023 to 31 December 2023. The boundary of this report encompasses all of RCL's operations, including its corporate headquarters, regional offices, and fleet operations globally. Any significant changes in the company's structure, ownership, or supply chain during this period are disclosed and explained.

### ◆◆ **Data Collection and Validation**

The data presented in this report has been collected through combination of internal monitoring systems, external audits, and stakeholder engagement processes. RCL employs robust data validation and verification procedures to ensure the accuracy and reliability of the information provided.

# 03 ENVIRONMENTAL DIMENSION

## 3.1 ENVIRONMENTAL POLICY AND GUIDELINES



The Group operates on three core lines of business, namely; Shipper-Owned-Container (SOC), Carrier-Owned-Container (COC) and Value-added logistic services.

Therefore, the Company is committed to reducing the negative impact on the environment, whether it is the emission of pollution, waste into the sea, which will affect the marine ecology as well as power consumption including reducing air pollution, such as reducing greenhouse gas emissions from the Company's business operations.

The Company has established goals for energy management, water resource management, waste management, and/or pollution reduction.

## 3.2 ENVIRONMENTAL OPERATING RESULTS

The Company complies with international law regulations, country-specific laws including compliance with international conventions, such as the rules of the International Maritime Organization to maintain the social and public environment.

### 1) International Maritime Organization (IMO) Requirements related to Greenhouse Gas (GHG) Emission Reduction for ships

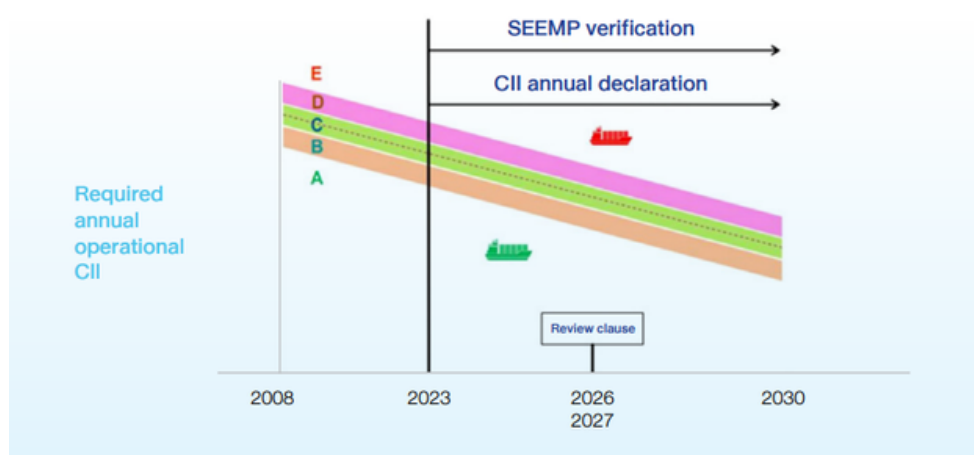
- **Carbon Intensity Indicator (CII)**

The CII came into effect in January 2023 alongside the Energy Efficiency Design Index (EEDI) and Energy Efficiency Existing Ship Index (EEXI) and will apply to all Cargo, RoPax and Cruise vessels above 5,000 gross tonnage trading internationally. The CII is an annual indicator of the ship's transport efficiency rated from A (best performance) to E (worst performance) and expressed in grammes of CO<sub>2</sub> emitted per transport capacity and distance.



While the EEDI & EEXI is a one-time certification covering design parameters, the CII is given based on the actual emissions of the vessel during operation and is to be revised yearly.

1. CII is a part of the IMO-DCS (Data Collection System) process, that starts from 2023. After the emission data is submitted and verified, a CII rating (from A to E) will be given to the vessel based on the annual carbon intensity result.
2. The value of the CII is required to be reduced every year. This carbon intensity value is required to drop by at least 40% by 2030 and by 70% by 2050 as compared with the value in 2008 (a full picture of the requirement is depicted for clarity).



However, if the vessel receives a D rating 3 times in a row or receives an E rating in any one year. Vessels will be requested to improve to a C rating or higher and corrective action will be submitted and reviewed. Otherwise, a Statement of Compliance (SOC) will not be issued to the vessels.

To meet CII requirements and short-term greenhouse gas emissions reduction measures, RCL has implemented the following operations on board :

- 1) Slow down the speed of its vessels to reduce the consumption.
  - Select deployment to suit with the vessels. Reducing the vessels' speed to a reasonable level will save fuel consumption and reduce carbon dioxide emissions.
  - Improve Cargo Handling efficiency to shorten port stays, and plan to increase the accuracy of the estimated time of arrival (ETA, Estimate Time Arrival) in order to reduce the docking time, which affects the amount of carbon dioxide released.
  - Planning of ship cargo loads to maximize economic returns.

2) Continuously monitor fuel consumption and engine operations to ensure the main engine is working efficiently, dosage chemicals to improve engine combustion that can reduce the emission.

3) All vessels which are scheduled for docking, shall apply for full blasting on flat bottom and vertical on ship hull, remove roughness surface, reduce friction, and fuel consumption.

4) Use the weather navigation system to provide the fleet with real-time information on routing that optimizes fuel efficiency.

5) Replacement of old vessels Sell the old age vessels and replace them with a new and modern design with lower consumption. Benefits of using young vessels are as follows :

1. Increase the efficiency of fuel energy usage of each vessels, which results in reducing ship management costs.
2. Enhance vessel navigation systems and mechanisms through new generation vessel technology to contribute to improved efficiency in managing vessel speed.
3. Reduce vessel maintenance costs.
4. Increase safety inside the vessels both crew safety and environmental management systems.

With the above measures, RCL achieved its target of improving its efficiency and managed to reduce fuel oil consumption. It was noted that consumption was reduced for the whole fleet by 4.1%, as compared with the year 2022. The results of CII rating in 2023 are compliant with the IMO strategy/requirements.

## **2) RCL continues to study the optimum method for mid-and long-term GHG reduction measures**

### **1. Installation of Carbon Capture, Utilization and Storage (CCUS).**

CCUS technology has been available for several decades, but it has only recently become a hot topic in the marine industry. CCUS technology plays a vital role in decarbonization, both as a standalone solution and in greening the supply chain for other clean energies. For example, the production of offshore wind farms requires carbon-intensive building materials and processes. By using CCUS technology in their production line, manufacturers can minimize their environmental impact, and asset operators strengthen the green credentials of their wind farms.

According to the outcome of MEPC 80, a new output under the Intersessional Working Group on Reduction of GHG from Ships (ISWG-GHG) was agreed for further work to develop a regulatory framework to allow for uses of onboard carbon capture (OCC) technologies. Therefore, RCL will wait for developed regulations accordingly

## **2. Carbon Credit**

Carbon credits are financial instruments of measurement where one credit represents one ton of Carbon Dioxide (CO<sub>2</sub>) equivalent either removed or prevented from entering the atmosphere. They were created to promote the use of carbon-reducing technologies through the generation of revenue by reducing greenhouse gas emissions and will be available for the marine industry soon.

Currently, IMO has not adopted any regulations relating to carbon credit. However, RCL has been studying best practices for carbon credit implemented by other industries such as aviation sector.

## **3) Use Alternative Fuels**

The energy transition is on. The shipping industry is working to reduce carbon footprint, or even better, to reach zero emissions. Several new energy sources are evaluated, such as LNG, methanol, ammonia, hydrogen, biofuel, and batteries.

Currently, RCL studies the options for using alternative fuels because of limitations of supply chain. However, biofuel is considered as a more suitable option. In case when the result of the annual CII rating for some vessels does not achieve the desired target, RCL may consider using biofuel.

## **3) Reducing other air pollution**

### **1) Reducing sulfur dioxide gas**

The M.V. ZIM Bangkok, a 12,000 TEUs vessel, which is the sister ship of ZIM Thailand, which has joined the RCL fleet in 2023, has been installed engine exhaust gas cleaning systems (Exhaust Gas Cleaning Systems (EGCS)), also known as "Scrubbers" are designed to burn high amounts of fuel, reduce the amount of sulfur dioxide or sulfur emissions down to 0.1%, which is more than the IMO limitation of 0.5%.

In 2023, RCL's fleet retrofitted with air purification equipment that captures sulfur dioxide from combustion exhaust gases (12 scrubbers).

## 2. Reducing nitrogen oxide gas.

As part of RCL's next-generation shipbuilding project, the vessels will be equipped with Selective Catalytic Reduction (SCR Technology), a technology for treating exhaust gases generated by the combustion of fuel within engines by injecting ammonia gas ammonium hydroxide or urea into the exhaust to convert nitrogen oxide to nitrous oxide and nitrogen. Currently, the SCR system is more than 99% efficient in reducing nitrogen oxides.

## 4) Reduction of Sea Water Pollution

1. The RCL fleet complied with the International Convention on the Control of Harmful Anti-fouling System on Ships. The certificates of compliance were issued to vessels after coating them with compliant paints with the requirements of this Convention. In addition, the paint used for spraying is free of Cybutryne, a substance that pollutes the sea.
2. All vessels in the RCL fleet successfully installed Ballast Water Treatment Systems to comply with the International Convention for the Control and Management of Ships' Ballast Water and Sediments.
3. All RCL vessels have been equipped with Marine Oil Separation System (OWS), which can separate oil and potentially harmful ocean contaminants before they are released into the environment.
4. All RCL vessels have been equipped with Sewage Treatment System, a device for eliminating non-biodegradable waste that causes epidemics and contaminates the water.



# Environmental Sustainability Management Target for the Year 2024

## Continued from 2023

- Slow down the speed of its vessels to reduce consumption.
- Select deployment to suit the vessels.
- Improve Cargo Handling efficiency to shorten port stays.
- Planning of vessels cargo loads to maximize economic returns.
- Continuously monitor fuel consumption and engine operations to ensure the main engine is working efficiently, dosage chemicals to improve engine combustion that can reduce the emission.
- For all vessels scheduled to be docked, full blasting on flat bottom and vertical must be done in order to reduce rough surfaces and reduce friction.
- Use the weather navigation system to provide the fleet with real-time information on routing that optimizes fuel efficiency.
- Crew on all RCL fleets are well trained and encouraged to conserve energy on board while maintaining crew safety as a top priority, such as turning off lights

## Implementing New Environment Protection and GHG Emission Reduction

- RSM has set up the crew training section which has objectives to enhance the knowledge practical skills of the master and vessels crew on environment protection as determined by the state of such ports and international regulations.
- Installation of Energy Saving Device (ESD) and new design propeller - M.V. Aka Bhum has been chosen to install ESD and the newly designed propeller, as a pilot vessel, from March 2024 onwards.
- Application of low-friction paint which contributes to fuel consumption reduction and improvement of CII rating. RCL will implement this strategy from March 2024 onwards.
  - Registration for EU-ETS - from 1 January 2024, vessels which will be trading in the EU will apply for EU-ETS. In addition, the approved EU-MRV is required to be carried on board.
  - All new RCL vessels which will be delivered in 2024 onwards are to be installed with Alternative Marine Power (AMP), it is an anti-pollution measure that helps reduce air pollution generated from diesel generators by using shore electric power as a substitute.

# 04 SOCIAL DIMENSION

## 4.1 SOCIAL POLICY AND GUIDELINES

The Company has set a policy for social management which includes respect for human rights, there is no employment of youth under 15 years of age fair treatment of labor including participation in community and social development including hygiene and education development.

The Company strictly adheres to labor laws and emphasizes on diversity in our hiring practices, encompassing nationality, ethnicity, gender, and age.

Currently, the Company employs a diverse workforce including Thai, Chinese, Burmese, and Indian nationals. The proportion of female workforce for staff level is at 61% and 39% of male. For the Head of Department, the Company employs 50% female and 50% male, and for the executive level with 33% female and 67% male.



In addition, the Company also has a policy on various matters related to the stakeholders are:

### Sexual and other unlawful harassment and workplace

RCL is committed to maintaining a working environment that is free of unlawful discrimination. In keeping with this commitment, RCL will not tolerate harassment of its staff, vendors, suppliers or business associates. Harassment consists of unwelcome conduct, whether verbal, physical or visual, that is based upon a person's protected status, such as race, color, region, sex, age, ancestry, national origin, disability, marital status or any other characteristics protected by law.

Sexual harassment consists of any sexual activities, verbal, physical violation or use of obscenities, initiated by one employee on another, and in doing so, creates distress or an intimidating hostile or offensive work environment. Employees must be aware that certain behavior can be deemed as harassment, even though it may be unintentional.



In addition, RCL prohibits workplace violence, some examples of which are not limited to include threats, intimidation, assaults, possession, distribution or usage of firearms, explosives, dangerous materials, other weapons, drugs or being under the influence of drugs while working in/for RCL.

If any employee believes that he/she or other person was harassed or threatened, he/she should report the incident to his / her superior or a representative from the Human Resource Department as soon as possible. The management shall then investigate such claim and take appropriate action accordingly. Every employee must refrain from any of such undesirable behavior.

This condition is deemed to be part of the employment contract for all staff. Any employee who violates this code will be subject to appropriate severe disciplinary action, without any exception, including termination of employment without any severance pay. This policy also extends to cover employee's behavior towards business customers, contractors and/or suppliers.

### **Relationship with fellow**

The Company is committed to provide a conducive working environment for its employees. In doing so, RCL expects full cooperation from all staff within RCL. Therefore, in order to promote and maintain such unity, employees must

1. endeavor to maintain cordial relationship among colleagues and wherever possible, to provide assistance to fellow colleagues.
2. treat subordinates with fairness and compassion, groom and develop them for their career advancement by imparting work-related knowledge, and where possible, provide training and opportunities to increase their knowledge and experience.
3. adopt an open-minded attitude to receive the opinion of fellow colleagues as well as their recommendations relating to work, and if practical, deliberate on the feasibility of such, for the benefit of RCL's operations.
4. implement the supervisor's recommendations and observe protocol of the organization and be respectful, considerate and polite to others.
5. abstain from the disclosure of other employees' personal or work-related information, and avoid passing any undesirable remarks that may be detrimental to fellow colleagues.
6. must not deliberately withhold any information with an intention to hinder fellow colleague's performance of his / her duties.
7. treat fellow colleagues with fairness in the exact manner in which one would wish to be treated in a similar situation and give due honor and respect to others, for example, not to claim other's credit as his / her own.

## Anti-Corruption

Perform duty with honesty, integrity and fairness, and avoid any acts that may be construed as otherwise. Employees :

1. must not use or permit others to use his / her job-related authority, directly or indirectly, to seek personal benefits or benefits for others.
2. (including his / her family), must refrain from giving or accepting gifts, cash, services, or other benefits from any individuals doing, or seeking to do business with RCL, except on traditional events or occasions. However, this is permissible if the cost of such benefits is not substantial in value and the act itself is not construed as a bribe or kickback.
3. must abstain from being lavishly entertained by any individual doing or seeking to do business with RCL.
4. are prohibiting from disclosing or utilizing RCL's non-public information which could have an effect on RCL's share /stock price, with an intention of seeking profit or benefiting from the trading of or tipping others to trade in RCL shares / stock, directly or indirectly. (Please refer to Insider Trading posted in the RCL's website.)

## Whistle Blower

Protection for Employees Who Inform on or Disclose of Wrongful Conduct or Non-Compliance

1. Complaints or Information The corruption or any action that violates the laws, regulations or the Code of Conduct that affects the reputation, image, value, financial status of the Company or conflicts with the business operation policy and is related to high-ranking executives.
2. Channels of complaint or giving information
  - 2.1 Send an e-mail to [complaints@rclgroup.com](mailto:complaints@rclgroup.com)
  - 2.2 Complain verbally or in writing to President
3. Procedure for Investigating Facts
  - 3.1 The person handling complaints will be the one to investigate the facts or may authorize a person or group of persons to investigate the facts.
  - 3.2 If the investigation reveals that a violation did occur and affects the reputation, value and image of the organization, the person handling complaints shall submit the matter to the Executive Directors and present to the Audit Committee consecutively for consideration of courses of action according to company rules and regulations.



#### 4. Protection of the Complainant or Informant

4.1 The protection will be provided immediately the complaint is submitted.

4.2 The Company will regard the related information as secret and will disclose only so much of it as necessary to ensure the safety of the complainant.

4.3 If the complainant believes that he/ she will not be safe or incur harm the/she may ask the Company to provide appropriate protection, or the Company provides such protection without the complainant's request if it is believed that danger or harm is likely to occur.

In addition, the Company has published a policy to protect complainants. Those who provide information or whistle-blowers about corruption, illegal activities and the Whistle Blower Policy on the Company's website [www.rclgroup.com](http://www.rclgroup.com).

## 4.2 HUMAN RIGHTS

### 1) Non-use of Child Labor or Forced Labor

RCL unequivocally prohibits the use of child labor or forced labor within its operations or supply chain. We adhere strictly to international labor standards and local laws concerning the minimum working age, ensuring that no individual under the legal age is employed by RCL or its suppliers. Similarly, we reject all forms of forced labor, coercion, or human trafficking. We conduct regular audits and due diligence to verify compliance throughout our supply chain, and any violations are promptly addressed with appropriate corrective actions, including termination of contracts with non-compliant suppliers.

### 2) Diversity and Inclusion

RCL is committed to fostering a diverse and inclusive workplace where all individuals are valued, respected, and empowered to contribute their unique perspectives and talents. We promote diversity in recruitment, hiring, and promotion processes, striving to create a workforce that reflects the diversity of the communities we serve. RCL provides equal opportunities for career development and advancement, offering training, mentorship, and support programs to enhance diversity and inclusion in all levels of the organization.

### 3) Safe and Healthy Workplace

RCL prioritizes the safety and well-being of its employees, contractors, and visitors by maintaining a safe and healthy workplace environment. We comply with all applicable occupational health and safety laws and regulations, conducting regular risk assessments and implementing appropriate controls to prevent accidents and injuries. RCL provides comprehensive safety training, resources, and support to employees to ensure their health and safety at work. We encourage open communication and collaboration on safety matters to continuously improve workplace conditions and prevent hazards.

#### **4) Workplace Security**

RCL is committed to providing a secure work environment for all employees, contractors, and visitors. We implement robust security measures to protect against threats. Security protocols are regularly reviewed and updated to address emerging risks and ensure compliance with relevant security standards and regulations. RCL provides training and awareness programs to empower employees to recognize and respond effectively to security threats, promoting a culture of vigilance and preparedness throughout the organization.

#### **5) Work Hours, Wages, and Benefits**

RCL adheres labor practices regarding work hours, wages, and benefits, in compliance with applicable laws and industry standards. We provide employees with competitive wages and benefits packages that reflect their contributions and skills. RCL respects employees' rights to fair compensation for their work, including overtime pay, rest periods, and paid leave. We promote work-life balance and employee well-being by offering flexible work arrangements, wellness programs, and support services to meet the diverse needs of our workforce.

#### **6) Healthy Work Life**

RCL promotes healthy work life and wellness initiatives to support the physical, mental, and emotional well-being of its employees. We provide resources and programs to promote healthy living. RCL encourages employees to prioritize self-care and engage in activities that promote physical activity, stress management, and work-life balance. We recognize the importance of employee health and wellness in enhancing productivity, morale, and overall job satisfaction.

#### **7. Equitable Treatment of Corporate Stakeholders and Non-Discrimination**

RCL is committed to treating all corporate stakeholders, including customers, business partners, employees, and shareholders, with fairness, dignity, and respect. We uphold principles of non-discrimination, ensuring that decisions regarding business relationships, transactions, or interactions are based solely on legitimate business considerations and not influenced by factors such as race, ethnicity, nationality, religion, gender, age, disability, sexual orientation, or any other characteristic protected by law. We promote diversity and inclusion within our organization and actively seek opportunities to foster partnerships with diverse suppliers and stakeholders.

## **8. Respect for Customer Rights**

RCL prioritizes the rights and interests of consumers and customers, ensuring fair and transparent business practices. We are committed to delivering high-quality products and services that meet or exceed customer expectations while upholding ethical standards. We respect consumer privacy and safeguard personal information in accordance with applicable data protection laws. Any complaints or concerns raised by consumers are addressed promptly and fairly, with a focus on achieving satisfactory resolutions and maintaining trust and confidence in RCL's brand.

## **4.3 HUMAN CAPITAL DEVELOPMENT**

### **Human Resources Development Policy**

#### **Training and Development**

In optimizing the manpower needs, employees' skills were upgraded in order to be rotated, to gain wellrounded knowledge in other roles within the organization. The focus on developing a more adaptable and multiskilled workforce equips the Company with the ability to schedule and arrange staff to best suit the business's needs as well as to remain dynamic and competitive alongside the corporate's directions.

In addition, the Company has provided equal employment opportunities without discrimination that covered people with disabilities and other underprivileged groups. However, in 2023, there were no disabled and underprivileged groups applied. The Company also fully support the Department of Empowerment of Person with Disabilities in a timely manner every year.

The key areas of focus were performance management, succession plan, rotation plan, talent and leadership development, which involved initiatives on talent acquisition, overseas assignment posting to garner experience, cross-function training, RCL value chain on-the-job training for as long as 6 months, including leadership-skills development for career progression.

Whilst we introduced our online Performance Management System (ePMS) across the regions to monitor goals and performances, RCL was also mindful of our staff's general opinions of their working environment in RCL. Riding on this concern, to continue employee development, we developed more training programs in Leadership, Managerial training and Technical training, data analytics, etc.

In the year 2023, the Company provided various training programs for employee both internal and external organization as followings :

Analytical Thinking and 5C's for effective audit result communication	Analytical Thinking for Effective Work
Basic Knowledge of Shipping Business	Best Cargo Mix
Booking Note for Barge Agency	BSA (Business Concept)
Chinese for Communication Course	Conflict of Interest
Data Analytical and AI Workshop	DCS Function with Business Process
Digital Workflow Design Course	Effective Communication Skills
EMS Logic Grid	Cyber Security Awareness
Global Rate Change	Human Resource Management
International of Sea Transport Document	Land Renomination
Magin Concept and Logic	Maritime Transport of Dangerous Goods
MS Excel – PivotTable & PivotChart	Notice of Pro Advanced Presentation Skills for Trainers (Costing Group)
Port Surcharge	Positive Negotiation & Influencing
Proactive Project Management	Procurement Fraud Masterclass
RCL Business Overview – Container Journey	RE-INVENT HR: Prepare for the unprepared
Reuse IJS Job Order	SCMA-JTJB Legal and Insurance Seminar
Seafarers Resilience for Sustainability Workshop	Send Draft B/L and Arrival Notice
Service design and routing plan analysis	Smart Goal Setting & Effective KPIs



Conflict of Interest Training



Positive Negotiation and Influencing Training



Vessel Utilization Online Training

Service Design and Routing Plan Analysis Training



## Performance of Training and Developing the Employee

Action	Performance for the year 2022	Performance for the year 2023
Training hours (hour/person/year)	1.90	3.00
Number of employee who pass the evaluation on e-PMS (%)	100	100

### Cultural & Core Values

The Company cultivated corporate culture as a framework for creating corporate culture by organizing orientation training for new employees along with training and conducting ATRCL activity throughout the year 2023.

### Employee Potential Promotion, Rewards and Development

Having realized the importance of employees as a valuable resource that drives the Company, RCL promotes the performance management system, training roadmap, and staff development. In-house trainings have been arranged to improve staff's knowledge and competencies, as well as sponsoring public courses relating to the Company's business operations organized by domestic and overseas institutions, especially environmental training.

The Company has increased efforts to value-add the skills for career advancement through job rotations and promotion. In addition, the Company appropriately remunerates the staff both in the short-term (bonus for employees based performance appraisal) and longterm (provident fund) Such remuneration is based on the staff's knowledge, accountability and performance. Apart from that, IT systems and applications are continuously upgraded to better support staff handling of their routines as well as to enhance human resources management and development. The Company took more action to promote innovation which has improved the IT system to be up-to-date, coped with any changes, informed employees at all levels about the PDPA policy, and educated employees about Information Security Management.

In 2023, the Company has published its vision and mission to employees at all levels through various channels, the Company has also organized training developing and emphasizing employees to apply to their work.

## 4.4 SOCIAL ACTIVITIES

### Educational Support Initiatives



#### Donation to Wat Thamma Prasit School:

On September 24, 2023, RCL's President, Dr. Twinchok Tanthuanit, along with employees, donated sports equipment, stationery, and financial support to Wat Thamma Prasit School in Klong Khon, Samut Songkhram, Thailand.



#### Mangrove Reforestation and Aquatic Releas

On 22 November 2023, RCL made a memorandum of understanding (MOU) with Nikhom Sang Ton Eng Khok Pho School, Pattani Province. The objectives are to develop the quality of educational institutions, raise

academic achievement and prepare students for the future under the 3rd generation of joint development school project, the "Partnership School Project". The Company allowed schools to propose projects to receive budgetary support for manage in developing the quality of education in the institution in 2023 by providing both financial backing contribution and contribution of 30 pre-owned and well-functioning computers for promoting and developing digital technology skills for students in the 21st century project

#### Scholarship Programs:

The Company, in partnership with the Asian Institute of Technology (AIT), offered scholarship according to the MOA objectives to provide 3 fully funded master's degree scholarships for students of any nationality enrolled in the School of Engineering and Technology (SET), the School of the Environment, Resources and Development (SERD), and School of Management (SOM), one student per school. A total of three students received scholarships of Baht 600,000 per person starting from admission in January 2023.

## Environmental Conservation Efforts



### Plant-A-Tree Programme:

On 20 December 2023, RCL supported environmental sustainability by contributing money to the Garden City Fund, established by the National Parks Board (NParks) of Singapore to restore nature back to Singapore and redouble the efforts to green Singapore's urban infrastructure.



### Joint Development School Project:

On 23 September 2023, Regional Container Lines Public Company Limited participated in an environmental conservation. The objective is to maintain balance in an ecosystem by releasing different species of fish to increase the number of aquatic animals in natural water sources. This ESG activity also includes planting 400 Mangrove trees to re-establish the shoreline stabilization and buffering that coastal communities rely on.



A sustainable and good environmental conservation includes promoting awareness and encouraging participation in the conservation and preservation of the natural environment.

Representatives from the Samut Songkhram Regional Harbor Office, Samut Songkhram Coastal Aquaculture Research and Development Center and Samut Songkhram provincial Department of Fisheries joined us for the event, while the Department of Marine and Coastal Resources supported 400 Mangrove trees. We released a total of 1,110,000 blue crabs, black tiger prawns and sea bass into nature at Klong Khon, Samut Songkhram Province.

## Environmental Conservation Efforts

### Donation to Queen Sirikit Hospital:

On June 8, 2023, RCL donated Baht 2,500,000 to the Queen Sirikit Hospital Naval Medical Department to aid accident victims and the sick in Chonburi and Rayong provinces, ensuring timely medical treatment for those in need.



### Support for Ramathibodi Hospital:

On February 17, 2023, RCL contributed Baht 5,000,000 to support the construction of the Ramathibodi Hospital Building and Yothi Medical Innovation District. This project aims to improve medical services for complex diseases and expand access to healthcare for the general population.

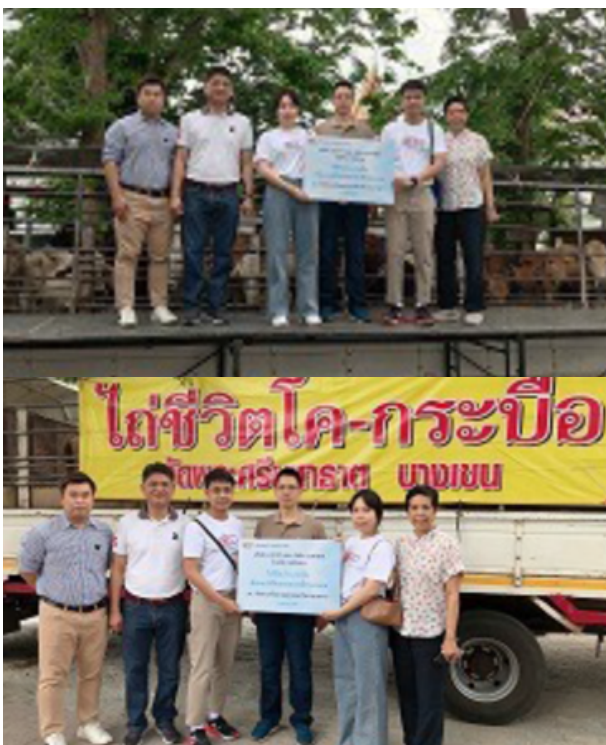


### Humanitarian Aid



### Donation of Food and Essential Items in Cambodia:

On July 25, 2023, RCL employees in Cambodia donated food and essential items to the Cambodia Community Children's Home (CCCH) at the Royal Thai Embassy in Phnom Penh



### Animal Welfare Initiative:

On April 2, 2023, RCL's President and employees donated 128,995 Baht and five cattle to support impoverished farmers, enhancing their agricultural productivity and income.



# 05 CORPORATE GOVERNANCE DIMENSION

## 5.1 CORPORATE GOVERNANCE POLICY

The Company recognizes the importance and responsibilities towards all its shareholders and stakeholders. The Corporate Governance Policy, therefore, has been established since the year 2005.

In addition, the Board of Directors places great emphasis on the importance to comply with the Corporate Governance Principles in order to increase the confidence of shareholders, investors and all parties involved. Thus, the Corporate Governance Policy, Business Ethics, and Employee Code of Conduct were reviewed and disclosed on the Company's website to publicize and communicate with outsiders and RCL Group's employees for acknowledgment as well as encourage them to participate in the implementation of such policies.

In 2023 the Board of Directors has considered and reviewed the the Corporate Governance Code 2017 ("CG Code"), which was established by the Securities and Exchange Commission (SEC), through means that are suitable to the Company's business. The Board has also approved the Corporate Governance Plan for 2023 to improve and enhance the Company's corporate governance to be more aligned with the CG Code. Furthermore, the Board has assigned the Nomination, Corporate Governance and Sustainability Committee to oversee the implementation of the CG Code.

## 5.2 CODE OF CONDUCT

The Board of Directors has established the Business Ethics as well as the Employee Code of Conduct which has been disclosed in the Company's website under Group Policy. The topics cover the following matters :

## Code of Conduct

- 1 Attitude towards RCL
- 2 Usage of the name "RCL"
- 3 Personal ethical core values
- 4 Relationship with fellow colleagues
- 5 Competitor, partner and supplier relationships
- 6 Sexual, other unlawful harassment and workplace violence
- 7 Confidential information
- 8 Use of E-mails, Internet, information access, software, telecommunication facilities and office equipment
- 9 Environment and society
- 10 Personal privacy
- 11 Anti-Corruption, and
- 12 Whistle Blower

In addition, the Company promotes a conducive working environment by establishing 5 core values (AT-RCL) to guide employees at all levels in the RCL Group

## Core Value - ATRCL



## 5.3 ANTI-CORRUPTION

The Company has established Anti-Corruption policies in 2015 as one of the items in its Code of Conduct, to be the direction of the business operation in accordance with the good corporate governance emphasizing the responsibilities in all aspects of the operations. Directors, management team and all staffs are prohibited from engaging in or accepting any type of corruption, both direct or indirect manner and must strictly comply with the policy and not to ignore nor neglect any corruption activities which may involve the Company directly or otherwise.

The Company's Policy regarding AntiCorruption has been published on the Company's website at <https://www.rclgroup.com/CodeOfConduct>

## 5.4 BUSINESS ETHICS

### Rules & Practices

Business ethics is a benchmark that provides compliance guidelines to staff of all levels to achieve the standard of performances set according to expectations of the Company and its shareholders.

1. Maintaining the highest ethical standards and undertaking business duties with prudence, honesty and fairness with regard to shareholders and all stakeholders.
2. Cooperating with all concerned parties in offering efficient services in the best interest of customers.
3. Conducting duties with awareness of effective and economical utilization of the Company's assets.
4. Develop process routines that include the principle of check and balance without unduly hampering the smooth workflow.
5. Providing accurate and reliable information on corporate business and services; keeping customer's secrets and avoiding any misappropriate utilization of such information for personal benefit or for the benefit of the others.
6. Treating counterparts and creditors accordingly and complying with agreements made earlier.
7. Competing under fair business conducts and avoiding any unlawful or dishonest acts of destruction towards competitors.
8. Diligently conducting business; offering useful opinions to the Company based on acquired knowledge, capability, personal experiences and independent professional judgement; Eager to learn and apply such knowledge to improve work performance for self achievement and corporate benefits.
9. Creating a good harmonious working environment and adopting a humble and straight forward attitude, as well as exchanging ideas with colleagues and applying perspective thinking in solving any problems, free from office politics.

10. Adhering to international conventions, where applicable, such as the International Maritime Organization's codes in order to preserve the social and public environment and refraining from any illegal actions or any violation of the Company's regulations.

11. Uphold our RCL brand reputation for excellence to be the best Regional Container Carrier and Total Logistics Service Provider.

## 5.5 WHISTLEBLOWING POLICY

### Protection for Employees Who Inform on or Disclose of Wrongful Conduct or Non-Compliance

1. Complaints or Information The corruption or any action that violates the laws, regulations or the Code of Conduct that affects the reputation, image, value, financial status of the Company or conflicts with the business operation policy and is related to high-ranking executives.

2. Channels of complaint or giving information

2.1 Send an e-mail to [complaints@rclgroup.com](mailto:complaints@rclgroup.com)

2.2 Complain verbally or in writing to President

3. Procedure for Investigating Facts

3.1 The person handling complaints will be the one to investigate the facts or may authorize a person or group of persons to investigate the facts.

3.2 If the investigation reveals that a violation did occur and affects the reputation, value and image of the organization, the person handling complaints shall submit the matter to the Executive Directors and present to the Audit Committee consecutively for consideration of courses of action according to company rules and regulations.

4. Protection of the Complainant or Informant

4.1 The protection will be provided immediately the complaint is submitted.

4.2 The Company will regard the related information as secret and will disclose only so much of it as necessary to ensure the safety of the complainant.

4.3 If the complainant believes that he/ she will not be safe or incur harm, he/she may ask the Company to provide appropriate protection, or the Company provides such protection without the complainant's request if it is believed that danger or harm is likely to occur.

In addition, the Company has published a policy to protect complainants. Those who provide information or whistle-blowers about corruption, illegal activities and the Whistle Blower Policy on the Company's website [www.rclgroup.com](http://www.rclgroup.com).

# 06 GREEN PROCUREMENT

## 6.1 SUPPLIER SUSTAINABILITY CODE OF CONDUCT

The Supplier Sustainable Code of Conduct sets forth the ethical and responsible standards expected of suppliers, encompassing business integrity, corporate social responsibility, safety, and environmental management, emphasizing compliance and continuous improvement in sustainability practices.

### 1. Business Integrity:

As a supplier to our organization, you are expected to conduct your business with the highest ethical standards. This includes but is not limited to:

1. **Honesty and Transparency:** Conduct business dealings transparently, honestly, and with integrity.
2. **Anti-Corruption:** Refrain from engaging in any form of bribery, corruption, or unethical practices.
3. **Fair Competition:** Promote fair competition in the marketplace and avoid anti-competitive behavior.
4. **Confidentiality:** Respect and protect the confidentiality of our company's sensitive information and intellectual property.

### 2. Corporate Social Responsibility:

1. **Labor Rights:** Ensure that your workforce enjoys fundamental labor rights, including fair wages, safe working conditions, freedom from discrimination, and the right to organize and bargain collectively.
2. **Child Labor:** Prohibit the use of child labor in any form, adhering to applicable international and local regulations.
3. **Forced Labor:** Prohibit the use of forced or compulsory labor, including debt bondage and human trafficking.
4. **Non-Discrimination:** Promote diversity and inclusion, and ensure equal opportunities for all employees, regardless of their race, gender, religion, age, disability, or other protected characteristics.
5. **Ethical Recruitment:** If applicable, ensure that recruitment practices adhere to ethical standards and do not involve exploitative or deceptive practices.
6. **Community Engagement:** Engage with and support the communities where you operate by contributing positively to their well-being and development.
7. **Supply Chain Responsibility:** Encourage your suppliers to adhere to responsible business practices, extending the principles of this Code throughout your supply chain.

### **3. Safety: Occupational Health and Safety**

1. Workplace Safety: Provide a safe and healthy working environment for your employees, complying with all applicable occupational health and safety laws and regulations.
2. Hazard Identification: Regularly identify and assess workplace hazards, taking necessary measures to mitigate risks and prevent accidents and injuries.
3. Training: Ensure that employees are adequately trained in safety procedures and protocols.
4. Emergency Response: Establish and communicate clear emergency response procedures to protect the health and safety of employees.

### **4. Environmental Management:**

1. Environmental Compliance: Comply with all environmental laws and regulations applicable to your operations.
2. Resource Conservation: Strive to minimize the use of natural resources, such as water and energy, and reduce waste generation through sustainable practices.
3. Pollution Prevention: Take measures to prevent pollution and minimize the environmental impact of your operations.
4. Emissions Reduction: Implement initiatives to reduce greenhouse gas emissions and air pollutants.
5. Sustainable Sourcing: Encourage sustainable sourcing practices that minimize the environmental impact of your supply chain.

Adherence to this Supplier Sustainable Code of Conduct is essential for maintaining a successful and sustainable business relationship with our organization. We expect all our suppliers to demonstrate a commitment to these principles and to actively work towards continuous improvement in their sustainability and ethical practices.

Non-compliance with this Code may result in a review of our business relationship, including potential termination of the supplier agreement.

## **6.2 GREEN PROCUREMENT POLICY**

### **1. Introduction**

Regional Container Lines Public Co. Ltd is committed to sustainability and responsible environmental stewardship. As part of our dedication to reducing our ecological footprint and promoting sustainable practices, we have developed this Green Procurement Policy. This policy outlines our commitment to integrating environmental considerations into our procurement processes, with a particular focus on our suppliers and their sustainability efforts.

## 2. Objectives

Our Green Procurement Policy aims to:

1. Promote the selection of suppliers who share our commitment to environmental sustainability and responsible business practices.
2. Prioritize the procurement of goods and services that are environmentally friendly, energy-efficient, and sourced sustainably.
3. Reduce waste, minimize environmental impact, and conserve resources throughout our supply chain.
4. Comply with applicable environmental laws, regulations, and industry standards.
5. Encourage continuous improvement in environmental performance among our suppliers.

## 3. Supplier Sustainability Expectations

In alignment with our commitment to sustainability, we expect our suppliers to:

1. Adhere to ethical and transparent business practices, as outlined in our Supplier Sustainable Code of Conduct.
2. Strive for excellence in environmental performance, actively working to reduce their environmental impact and promoting sustainable sourcing.
3. Comply with all relevant environmental laws and regulations.
4. Promote responsible waste management, resource conservation, and energy efficiency within their operations.
5. Collaborate with us in assessing and improving their sustainability practices, which may include audits, assessments, and shared sustainability goals.

## 4. Procurement Practices

To achieve our sustainability goals, we will:

1. Give preference to suppliers and products that demonstrate a commitment to sustainability and align with our environmental objectives.
2. Consider life cycle assessments and environmental impact when evaluating product and service options.
3. Encourage product durability, repairability, and recyclability to reduce waste generation.
4. Prioritize energy-efficient and eco-friendly options, including renewable energy sources, whenever feasible.
5. Collaborate with suppliers to identify opportunities for waste reduction, recycling, and resource conservation.
6. Continuously monitor and evaluate the sustainability performance of our suppliers and products.

## 5. Reporting and Accountability

Regional Container Lines Public Co. Ltd will regularly assess and report on the progress of our Green Procurement Policy. Responsibility for the implementation of this policy rests with **Central Procurement**, who will collaborate with procurement teams and suppliers to ensure its effective execution.

## 6. Review and Revision

This Green Procurement Policy will be reviewed periodically to ensure its alignment with changing sustainability priorities, best practices, and regulatory requirements.

Regional Container Lines Public Co. Ltd is committed to leading by example and promoting responsible and sustainable procurement practices. We believe that through collaboration with our suppliers and the careful selection of environmentally responsible products and services, we can contribute to a more sustainable future.