

KERRY

EXPRESS



THE GAME CHANGER



SUSTAINABILITY REPORT 2021

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KERRY EXPRESS



We're not only a supporter of e-commerce, social commerce, and retail and big customers which are Thailand's driver for economy. But we are also responsible for good life quality of our employees and the society.



OPERATIONAL HIGHLIGHTS

Economy and Governance



Selected as an index component of three of the country's major indices: **SET100**, **SETTHSI**, and **SETWB** indices

97.10% 
of parcels delivered on time



4-Star rating in Corporate Governance

100% 

Employees passed the compliance training on business ethics, human rights, and anti-corruption.

99.99%



Next-day delivery with nationwide coverage

< 1.2%

of parcels returned



Baht **27** million

income tax paid

People

20,000+ 
Local hiring

31% Women in senior leadership positions 

21%  **Improvement** in employee engagement score


225
Employees with disabilities

 **80%** of employees on average WFH in 2021, while **100%**  of employees WFH during the peak of the COVID-19 outbreak

0 **Cases** 
of work-related fatality



Participated in WeEmpowerAsia, the UN women programme to promote women’s inclusivity and equality

Environment

 **3**-year emerging focus on Green Economy strategy launched 

100% 
of meeting materials are carbon neutral

Promoted 
waste separation management among employees

Integrated route planning and optimisation to **reduce carbon emission** from fleets 

AWARDS AND RECOGNITIONS

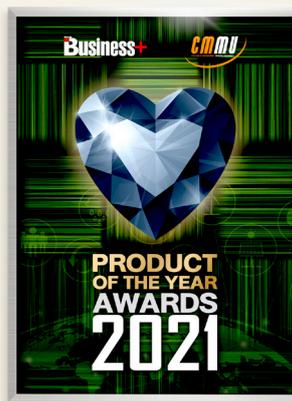
Four Recognitions for Asia's Best Employer Brand

Most-effective Recruiting Campaign, Excellence in Employee Training, and Best Talent Management awards from India's Employer Branding Institute



Winner of the Business+ Product of the Year Awards 2021

for the logistics category, reflecting KEX's excellent performance in delivering the best products and services and its position as the top-notch brand in the express delivery industry



The Professional Hero of the Year

in the Bangkok Post CEO of the Year 2021 Awards, organised by the Bangkok Post



Gold Winner of HR Excellence Awards 2021

for the outstanding HR practices with high employee engagement and healthy work environment



Four-time Winner of No.1 Brand Thailand

in the delivery/logistics category awarded by Marketeer magazine



Two-time Winner of Thailand's Most Admired Brand

awarded by BrandAge magazine



VISION, MISSION, AND CORE VALUES

Vision

“Thailand’s forefront express delivery company focusing on delivering utmost quality products and services that exceed customer expectations”

Mission

“We are committed to providing quality services, enriching our society, caring for our staff and being responsible to our stakeholders and investors.”



Core
Values

HI STEP

**H (Honesty)**

We are committed to high ethical standards, operating with transparency, and guided by relevant rules and regulations.

**I (Innovation)**

We encourage creative solutions and constantly innovate to meet our customers' unmet needs and to enhance value for our customers, employees, and our business.

**S (Service-minded)**

We strive to deliver the utmost service excellence which exceeds our customers' expectations.

**T (Teamwork)**

We value united cooperation towards mutual goals as well as the diverse input of individual contributions.

**E (Execution)**

We are result-oriented and put our vision and mission into our everyday actions.

**P (Positivity)**

We believe possibilities can be realised and challenges overcome through determination and positive mindsets.

MATERIALITY ASSESSMENT

In 2021, KEX performed a reassessment of issues, risks, and opportunities that are material to our sustainable growth. The method helped KEX identify topics that are strategically important to our company and stakeholders while guiding decision-making across our value chain.

Step 1 Identify

KEX management and Sustainability Working Group conducted a discussion to keep abreast of global and local ESG topics that can impact stakeholders and operations at KEX. We identified several ESG factors and trends that are relevant to the Company and subsidiaries (“the Group”).

Step 2 Prioritise

A gap analysis of KEX’s material ESG topics against global best practices in the express delivery and logistics industry was performed. KEX’s selected SDGs were also reviewed to ensure that they are still relevant to the Group’s business strategy, operations, direction, and initiatives.

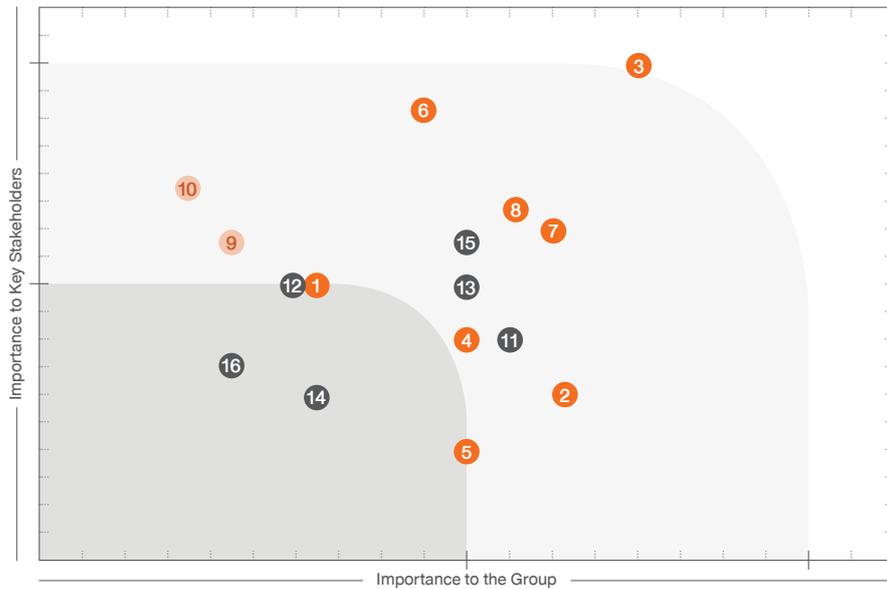
Step 3 Review

The results from the review were discussed with KEX’s senior management and relevant business units. KEX also consulted external stakeholders to understand their expectations of the Group’s ESG efforts. Considerations and opinions from both internal and external stakeholders were taken into account in the final material assessment report.

Step 4 Validate

The findings of the review were discussed and validated by the Executive Committee before being presented to our Board for the final approval. As we progress on our sustainability journey along with our ever-changing business context, we will continue to evolve and update the relevance of our materiality by conducting a regular review of our material ESG factors.

Materiality Matrix



No.	Material Topics
1	Corporate Governance & Business Ethics
2	Risk & Crisis Management
3	Service Quality and Customer Relationship Management
4	Brand Management
5	Supply Chain Management
6	Innovation Management
7	Business Growth and Performance
8	Cybersecurity and Data Privacy
9	Energy and Climate Strategy
10	Circular Economy and Waste Management
11	Occupational Health and Safety
12	Community Engagement
13	Human Capital Development
14	Human Rights
15	Talent Attraction and Retention
16	Diversity and Inclusion

3-YEAR EMERGING FOCUS

Economic and Governance Performance



Service Quality and Customer Relationship Management

Focus on enhancing service quality & customer relationship management by orientating KEX services based on customer-centric approach



Innovation Management

Drive innovation forward through investments and R&D for new products and services to ensure good user experience, accessibility, convenience and social inclusion for all



Cybersecurity and Personal Data Protection

Ensure a secure information management system and elevate personal data protection and internal security system to the highest security in order to prevent information breaches

Environmental Performance



Green Economy

Align our business activities with Thailand's ambition of achieving Net Zero by 2065 through waste segregation, route planning, and deployment of renewable energy and EVs

People Management



Human Capital Development

Upskill employees in all levels to ensure their competencies and abilities to be rotated between departments without major disruption



Talent Attraction and Retention

Create a culture that suits the future of talent mobility within the company and enhances quality of life and work-life balance through our well-being programmes

Strategic Goals for Long-term Growth and Sustainability

Economic and Governance Performance



0
Data leakage



99%
Kerry Service Level (KSL)



Launched Net Promoter Score (NPS) as customer satisfaction and brand loyalty measures

Environmental Management



100% Sustainable packaging in 2026

(adjusted target to be nearer from the original target of 2030)



10% carbon emission reduction within 2026, compared with 2021's emission

People Management



Employee engagement index to reach **80%**



Numbers of internal talents for senior management roles **to increase** by **30%**



80% of the talent pool and critical roles are retained



Kerry University is fully established to provide continuous learning opportunities for Kerry employees at all levels

ECONOMIC AND GOVERNANCE PERFORMANCE

Service Quality and Customer Relationship Management

Opportunities and Challenges

KEX set out our business to serve the ongoing growth of both consumers and sellers in Thailand and connect the demands on both ends. The accelerating advancement of digital technology that offers a variety of payment methods, a series of government economic stimuli, emerging product and service innovations, and a variety of campaigns offered to consumers in Thailand have ultimately resulted in the demand upsurge in the express delivery industry. KEX strives to improve and maintain service quality at a reasonable price to effectively respond to day-to-day demand shifts.

System development and human capital development are crucial to maintaining high service quality in the fast-changing market. Therefore, KEX needs to ensure that the human resources are sufficient and that everyone has been trained as service-minded employees. It is the challenge that KEX must continuously work on to optimise our resources and level up customer satisfaction.

Management Strategies and Approaches

Enforcement of the Quality Procedure

KEX enforces the Quality Procedure throughout its operation procedure, from first-mile and transit stages to last-mile delivery. Our Quality Assurance Team (QAT) consistently communicates with, controls, and spot-checks the operation according to the Quality Procedure. The QAT also inquires customers about their satisfaction and any problems found in KEX services and submits the

operation performance reports to the management once a week. The Quality Procedure and the inspection plan under the Quality Procedure also cover our franchised parcel shops.

Human Resource Management

KEX places great emphasis on attracting and retaining talented people by giving competitive incentives. KEX also consistently develops career development plans and regularly conducts employee performance reviews, including the employees of our partners that open Kerry Parcel Shops with us, to support the ever-changing needs of our customers.

KEX adopts the Key Performance Indicators (KPIs) in terms of operation quality and service quality control. This includes giving special incentives to personnel that excel in our KPIs and imposing penalties for non-compliance with the Quality Procedure. These practices are adopted to ensure the best customer experience.

Network and System Design for Quality Optimisation

KEX has a team of data analysts who analyse consumer needs for effective internal system administration and offer products and services tailored to meet consumer demand. The data analyst team assesses and forecasts consumer needs in each period and presents the results to the management for further strategies.

Investment in Research and Development

KEX has established in-house testing labs where we analyse and test new products and services before launching. An integrated team works together to target

sampling groups, evaluate risks and consumer satisfaction, and draw up guidelines for collaboration.

Emphasis on Customer Experience

In customer relationship management, KEX is the first Company to offer an on-demand call centre via LINE, Facebook, and chatbots, as we highly value customer experience. Call centre officers are professionally trained to provide personalised assistance and solutions for general issues. Complex matters that require specialised expertise are handed over to the relevant teams. To quickly solve customers' issues, KEX requires a response to customers within 15 minutes. All issues are handled within the respective periods designated in our Quality Procedure, depending on each issue's complexity.

Moreover, KEX is the first and only service provider to offer a loyalty programme called Kerry Express Loyalty Club, enabling customers to earn points when purchasing KEX services. The customers can redeem

the points for shipping discounts or other privileges. KEX has also provided business development training sessions for the retail business owners who are the members of Kerry Express Loyalty Club.

Tools to Measure Customer Satisfaction and Service Experience

KEX measures customer satisfaction with its express delivery services and delivery personnel via the Kerry Express application. Data obtained from our application is collected and presented to the management to further improve our services. Positive ratings and feedback on delivery personnel are used to determine incentives for each employee to boost employee morale and control the quality of the delivery personnel.

In 2022, KEX is developing a tool to determine customer satisfaction under the concept of brand loyalty. The tool is expected to be launched by the fourth quarter of 2022.



The service quality measurement demonstrates our achievement of the goals outlined in our 2021 business strategy. However, the on-time delivery goal was slightly underachieved due to the leap in consumer demand during the government's work-from-home policy.

Innovation Management

Opportunities and Challenges

KEX maintains its position as the leader and No.1 in express delivery business to serve Thailand's growing e-commerce and social commerce businesses. Customers' lifestyles have been changing along with the advancement of digital technology. The transition from being only a regular express delivery business to also being an all-in-one logistics platform, using the internationally recognised high technology and work system, is the challenge that pushes KEX to constantly evolve and invest in technology and innovation development.

Management Strategies and Approaches

In addition to our technological and innovation development as a part of our three-to-five-year business strategy, KEX has also allocated a 5 - 10% of its IT budget to training and research and development (R&D) projects. The Product Research and Development team consists of the Product Development team and the User Experience team. The Product Research and Development team is responsible for driving product research and development plans and testing products before launching.

Apart from setting up an internal team dedicated to R&D, KEX also cooperates with leading organisations specialised in different areas to develop mutual business benefits and innovations, such as the strategic cooperation with Sabai Technology Public Company Limited, which offers a complete e-payment platform Kerry Wallet. This online wallet is set to be launched within 2022. Another notable instance is the joint venture with Betagro Public Company Limited to offer the leading cold delivery platform by adopting internationally recognised state-of-the-art technology.

These partnerships align with KEX's medium-term business strategy to constantly expand its footprint into new branches of businesses with the business partners, resulting in a sustainable value throughout the supply chains of KEX and its partners.

Last year, KEX launched an internal innovation promotion programme by inviting employees to develop and pilot innovative solutions to help the Company reduce costs, increase sales, and improve service quality. One of the criteria besides business needs is that these investments must positively impact the society and the environment. The Company has allocated a budget for selected innovations that would be adopted.

Kerry Express Tree Box is an example of such innovations in the second half of 2021. KEX is the first and only express delivery provider that offers this service. KEX tree boxes have been specifically designed for fruit and tree shipment and to be environmentally friendly. Our tree boxes are made of thinner paper to minimise the pulp mixture but still maintain exceptional strength, durability, and humidity-resistant capabilities. The boxes are offered to customers at an affordable price to ensure an exceptional service experience. Since its launch in July 2021, approximately 470,000 have been sold.

We remain committed to exploring eco-friendly and innovative packaging solutions by conducting feasibility studies and discussions with domestic and international service providers. These operations cover recycling, repurposing, and Extended Producer Responsibility (EPR). Our trusted partners must be certified by relevant environmental institutes or organisations and submit operation reports to the Company.

Cybersecurity and Data Privacy

Opportunities and Challenges

As Thailand's market leader in express delivery with over 20 million customers in the present and the growing number of end-users, KEX is committed to offering services that meet customer demands through investments in new technologies and innovations. For example, we are the first service provider to offer Payment on Delivery, parcel tracking via the Kerry Express application, and Door-to-Door Service. Therefore, we place great importance on building a highly secure and reliable database system and ensuring that customers' data remain confidential without any misuse to maintain our status as a reliable and trustworthy brand for all users.

Management Strategies and Approaches

KEX has established a cybersecurity and data protection system to safeguard personal data and meet our goal of becoming Thailand's most trusted courier service provider without doubt.

Since the start of our operation, KEX has implemented IT security policies and measures and initiated a three-year roadmap to test, develop, and monitor our security system in compliance with the National Institute of Standards and Technology (NIST) standard and applicable laws in Thailand and overseas. The Information and Communications Technology (ICT) team develops and maintains the system, assesses risks, and devises work plans and preventative schemes. These strategic plans are revised every quarter. The plans and end results are presented to the Deputy CEO and the Board of Directors regularly.

KEX values technological development through closed innovation. We invest in human and technological

resources to internally develop applications, databases, and innovations within the organisation to limit the involvement of external service providers. Hence, innovations created and offered by KEX are our intellectual properties.

In addition, our ICT division has developed an integrated assessment model to regularly evaluate the potential risks and test the IT system security, such as cyberattack scenarios, simulated time frame for post-cyberattack data recovery, business continuity plan, additional data centres for data backup, a mandate for employees to set up passwords in their personal laptops, and user verification before accessing information technology systems and customers' personal information. We continuously raise awareness among all employees through communication, including the first-day orientation and the mandatory assessment that all employees must take at least once a year.

From 2019 until now, KEX has been assessed and certified under ISO27001 (Information Security Management System — ISMS).

If KEX needs to outsource IT work or use an external data storage, KEX strictly ensures that the service provider meets the requirements of the applicable international standards, and these third parties must be officially certified.

For example, KEX only relies on the data centre service providers with the TIA-942 standard and ISO 27001:2013, ISO/IEC 20000-1, ISO22301, and CSA STAR (for cloud storage solutions). KEX also considers the service providers' environmental impact mitigation and energy management standards, such as ISO5001 Energy Management. Moreover, the service providers must implement monitoring systems and submit reports to

KEX on the access to the stored information so that KEX can detect any abnormality and assess the probability of data leakage or cyberattack.

As for general service providers and subcontractors, KEX requires both parties to sign a non-disclosure agreement (NDA) before commencing any business collaboration.

Apart from cybersecurity, since 2018, KEX has assigned the Quality and Risk Management team to research and prepare the personal data protection policy in accordance with Thailand's Personal Data Protection Act 2019 and the Company's roadmap. In addition to legal compliance, KEX also seeks to become the leader in the express delivery industry, widely entrusted by the customers that KEX will not use the customers' personal data without their consent and that KEX handles confidentiality carefully.

Accordingly, the operation in the previous year covered the implementation of policies, building the relevant governance structure of the Board of Directors and the Audit Committee, circulating internal and external communications to streamline the best practices and address users' rights, and conducting data classification so that only designated and authorised person can access the data. In addition, the Quality and Risk Management team must regularly assess risks and report the assessment results to the Risk Management Committee, the Audit Committee and/or the Board of Directors.

Due to the increasing cyberattack cases since 2020, which were accelerated by the remote working policy during the COVID-19 pandemic, the Risk Management Committee have decided to impose the highest surveillance measure on cybersecurity and confidentiality risks. Therefore, KEX has never experienced any complaint, dispute, or litigation on data breach (zero breach case and zero substantiate complaint).



ENVIRONMENTAL PERFORMANCE

Green Economy



Opportunities and Challenges

Thanks to over 100% business growth since the launch of operations, KEX needed to invest in network expansion. As of the end of 2021, we have more than 22,000 fleets under our management, breaking the record of all express delivery businesses in Thailand. KEX sees the opportunity to become the leader in creating a positive impact on the environment by adjusting our operation to reduce greenhouse gas emissions and optimise energy consumption.

Management Strategies and Approaches

In 2021, KEX worked with third-party consultants, government agencies, and international organisations to explore the feasibility of importing electronic vehicles (EV), setting up EV stations, and enhancing the manufacturing capacity of electric motorcycle batteries. In 2021, KEX and its partners tested our electronic

motorcycles for parcel delivery in the Bangkok Metropolitan area. Since then, we have consistently discussed and explored the possibility under the three-to-five-year plan in transitioning to sources of energy that emits less pollution, according to the 2025 goal to become the leader in the low-carbon logistics business.

KEX adopts a route optimisation strategy that efficiently navigates our drivers to the fastest and shortest routes to reduce fuel consumption when delivering parcels to the end recipient. The operation teams conduct daily meetings before work and assign route plans to each driver. In addition, we maintain a strict policy of returning zero empty trucks to the distribution centres to minimise our operational waste footprint. After completing their delivery at the final destinations, drivers must retrieve parcels from the local parcel shops and private residences and bring them back to the sorting hubs at the end of the day. At KEX, we have control rooms to monitor each driver's performance on each route throughout the day.



At the beginning of 2022, KEX launched a free pick-up campaign to encourage customers to use our door-to-door (D2D) service, which works effectively as the customers do not need to travel to our parcel shops.

As for the packaging, the choice of materials for producing parcel boxes or sealed plastic bags does not only encompass its durability but eco-friendly materials are also taken into consideration. In the present, every type of box packaging at KEX are made entirely of recycled materials while sealed plastic bags are made of reusable plastic. KEX is in the process of studying the feasibility of improving the multi-faceted practices for sustainable packaging. This is to assure that the customers will continue to receive quality service from packaging that are damage-proof. The result of the study will further be reported. As for internal administration, KEX initiated a power-saving campaign at every head office, warehouse, and parcel sorting and distribution centre by designating the schedule to switch the lights off when not in use, such as during lunch break. In addition, waste sorting bins are installed at every

workplace for reuse and recycling in collaboration with the service providers licensed and certified by relevant government agencies.

In 2021, KEX announced the green publication guidelines, which require our employees to avoid printing meeting documents and opt for online meetings and digital documents. If a printed publication is necessary, we choose to work with printing companies certified as green printing, as specified in the Company's procurement documents. A notable example is the distribution of the invitation letter for the Annual General Meeting of Shareholders since 2019 where KEX's printed materials have been certified as carbon-neutral.

In the Supplier Code of Conduct, KEX has also included the measures on the environmental management and collaboration with suppliers and business alliances that implement clear environmental practices. According to the Procurement Policy and the Vendor Assessment Policy, our procurement department implements the plan to randomly audit our 50 biggest partners each year.

PEOPLE MANAGEMENT

Human Capital Development

Opportunities and Challenges

KEX is a people-driven organisation. We do business to support the better life quality of people. Therefore, human resource strategy and investment are one of our priorities that is deeply intertwined with the organisation level and industry-level metrics. According to our studies of employee expectations by means of the sampling method, training and development opportunities are the key concerns for employees, especially the new generations considering not only reasonable compensation. Amid the rapid business transformation and growth where the competition in the express delivery market is becoming fiercer every day, the critical trait of the No.1 service provider is to be an agile organisation supported by a resilient team with high capabilities to adapt to potential challenges.

Management Strategies and Approaches

KEX is committed to employee development. We implement human resource management plans carried out by our People Development team and the people development programme called Kerry University. The people development plans consist of leadership development, core training, functional skill development, and management skill development for directors and senior management. The KPIs for success are measured by monetary and non-monetary metrics such as the percentage of vacant positions filled by internal candidates.

KEX's training model focuses on digital learning on the Kerry Guru system and on-site training for trainers (Train

the Trainer) to reach employees in different regions across the country and support the remote working measures. Last year, we achieved a tremendous success in the model. The average number of training hours for employees is on an upward trend, with personnel of every group participating, unlike previous training sessions in on-site classrooms, which are an available option only to some personnel groups due to travel limitations. Moreover, the employed trainers, who formerly led these sessions, have been rotated to carry out more advanced tasks, as the training curriculum was already developed and integrated into the Kerry Guru system.

For the succession plan, we start from identifying key positions and senior management positions and integrating the career development plan in accordance with the line-up positions, including both direct or cross-functional career growth. KPIs for these initiatives are evaluated every six months. We consider qualified candidates within the Company as well as external experts.

Talent Attraction and Retention

Opportunities and Challenges

Attracting and retaining talented personnel to drive the organisation forward is a tool that helps enhance long-term competitiveness, especially when the business and competitions in the market become more challenging. Building a good brand image and reinforcing a positive workplace to make employees feel proud to work and advocate for KEX is no longer an afterthought. These values are built on a strong corporate culture that opens up opportunities for every employee to be creative

and take part in the organisation's success, makes the employees feel valued and return the value to the organisation, provides growth in a career path, gives reasonable compensation, and builds a widely-accepted brand image.

Management Strategies and Approaches

Equal Opportunities

Since the start of our operation, KEX has been welcoming millennials and new generations to join our team. This is demonstrated by the average employee age of 30 years and the implementation of the work performance evaluation in line with our fair compensation and benefits policy.

Building a Strong Corporate Culture and Promoting Talent with Ethics

In creating a good corporate culture, KEX has established corporate values called HI STEP, promoted via the HI STEP THE HERO campaign to honour employees who can reflect the corporate culture and put them into practice by publicly praising them and giving the HI STEP The Idol award to employees who are the role models in social contribution and adherence to the corporate values.

Additionally, the Most Valued People Awards (MVP Awards) are annually granted to employees who give value or show their commitment to building value for the organisation while reflecting its culture in each aspect. The supervisors of each department select qualified employees and nominate them to the top management for final consideration.

KEX also encourages all personnel to be aware of their personal rights, the rights of others, and equality in terms of gender, age, race, and origin. We also implement the human rights policies, including the non-discrimination

policy, the anti-child labour and anti-forced labour policy, the gender equality policy, and other measures such as appropriate work assignment for pregnant employees, paternity leave, strict guidelines on the maximum parcel weight limits for female and male employees according to their physical limitations, and labour-saving tools, such as forklifts. We have consistently communicated with all employees about these policies and measures and integrated them into the orientation, the annual training, and the annual evaluation that both new and current employees must participate in.

In 2021, KEX expanded its practice to include the employees of its shipping company partners (sub-contractors) through the Supplier Code of Conduct, procurement regulations, and business contracts. Since then, the procurement department has prepared the plan to communicate with and spot-check our critical business partners yearly.

Outlining Special Development Plans for the Talent Group

KEX has developed a set of qualifications and positions for employees considered Talent by mapping out a special talent development plan, career plan, performance indicators (KPIs), and compensation structure. These are designed specifically for the Talents to attract and retain these employees within the organisation hence they are different from those of other employees.

Due to the implementation of the plans regarding personnel development, talent attraction and retention, and the fair compensation and benefits structure, the employee engagement score of the past year rose up to 69%, well above the target of 67% and above the average score of other companies in the same and similar industries in Thailand.



APPENDIX

About This Report

Sustainability development is one of the key medium- and long-term strategies that KEX focuses on and incorporates into every aspect of our organisation. This section represents KEX's very first sustainability report which contains all the relevant material information on environmental, social and governance matters related to KEX's business operations, corporate strategy and stakeholder expectations. KEX has adopted international reporting standards such as the Global Reporting Standard (GRI) as well as the SEC's one report manual to report the approach and outcome on our sustainability report.

Approach to Reporting

The report on management approaches and performances on material sustainability issues were identified through

a materiality assessment process in accordance with the Global Reporting Initiative (GRI) Standards: Core Option, while the report on human rights was compiled in accordance with the UN Guiding Principles Reporting Framework for the business segment.

Scope of Reporting

The scope of reporting was determined based on the business relevance, the readiness of information and the level of impacts towards KEX's business operations and branding. In conclusion, the scope of reporting covered KEX's headquarters, Kerry Bangna Logistics Hub and other core business functions which can be reflected as representing the whole organisation. The period of reporting covered 1 January 2021 to 31 December 2021.

Stakeholders Engagement and Materiality

“The support of our stakeholders is integral to our success and the sustainability of our business.”

KEX continuously engaged with a variety of our key stakeholders; customers, business partners, vendors, staff, investors, and financial analysts as well as communities surrounding our distribution centres and sorting hubs. The engagement has been conducted in several method from

both internal and external channels. When major issues arise, KEX will take stakeholders into account in preparing response plans and setting business directions. KEX continues to be actively committed to communicating with diverse stakeholders.

Stakeholder Type	Engagement Approach	Issues of Interest / Expectations	KEX Responses
1. Customers 	<ul style="list-style-type: none"> Customer contact centre Customer interviews 	<ul style="list-style-type: none"> Quality of service On-time delivery Customer personal data protection 	<ul style="list-style-type: none"> Commitment to continuously providing best service quality with transparency and integrity Compliance to Personal Data Protection Act B.E. 2562
2. Employees 	<ul style="list-style-type: none"> CEO Townhall Feedback and grievance mechanism (Kerry Nokweed) Welfare committee Internal communication channels Employees' engagement survey 	<ul style="list-style-type: none"> Fair and competitive remuneration and benefits Career advancement Employees' capability building Occupational health and safety 	<ul style="list-style-type: none"> Fair and competitive remuneration, promotion and benefits Training and development program Safety in the workplace
3. Business Partners and Vendors 	<ul style="list-style-type: none"> Site visits and meetings Feedback and grievance mechanism 	<ul style="list-style-type: none"> Supplier capacity building Fair business practices Strategic partnership building 	<ul style="list-style-type: none"> Supplier training and development Fair procurement practices Building strategic partnership with capable partners
4. Community 	<ul style="list-style-type: none"> Dialogue visits Community activities 	<ul style="list-style-type: none"> Job opportunities Community well-being 	<ul style="list-style-type: none"> Job opportunities Donations, community development, and sponsorships
5. Investors and Analysts 	<ul style="list-style-type: none"> Interview 	<ul style="list-style-type: none"> Transparency of disclosure Good corporate governance Relationship between management and investors 	<ul style="list-style-type: none"> Setting up the Investor Relations team to communicate with investors and analysts Compliance monitoring throughout the organisation Building a strong foundation of good corporate governance

Performance Data

Sustainability Data Collection Workbook: Corporate Governance & Ethics

Anti-corruption

	Description	Unit	Year		
			2019	2020	2021
Anti-corruption					
	Total number of Directors that have received communication concerning the Company's anti-corruption policies and procedures	%	100	100	100
	Total number and percentage of employees that have received communication concerning the Company's anti-corruption policies and procedures, categorised by employee ranking				
	<ul style="list-style-type: none"> Senior Executive 	%	100	100	100
	<ul style="list-style-type: none"> Middle Management 	%	100	100	100
	<ul style="list-style-type: none"> Manager and above 	%	100	100	100
	<ul style="list-style-type: none"> Employee 	%	100	100	100
	Total number of business partners that have received communication concerning the Company's anti-corruption policies and procedures, categorised by type of business partner, broken down by type of business partner	%			
	<ul style="list-style-type: none"> Contractors / Suppliers / Service Providers 	%	100	100	100
	<ul style="list-style-type: none"> Other business partners 	%	100	100	100
	Total number of Directors that have received anti-corruption training	%	100	100	100
	Total employees that have received training on anti-corruption, broken down by employee category				
	<ul style="list-style-type: none"> Senior Executive 	%	100	100	100
	<ul style="list-style-type: none"> Middle Management 	%	100	100	100
	<ul style="list-style-type: none"> Manager and above 	%	100	100	100
	<ul style="list-style-type: none"> Employee 	%	100	100	100
	Total number of cases of business partnership contracts that were terminated or not renewed due to violation of anti-corruption policy	Number	0	0	0
	Total number of cases that the Company or employee was sued for corruption during the reporting period and disclosure of consideration result	Cases	0	0	0
	Percentage of business lines assessed for risks related to corruption	% of operation	100	100	100
Anti-monopoly					
	Pending or completed legal actions during the reporting period regarding monopoly or violations of monopoly laws in which the Company was sued or identified as the instigator	Number	0	0	0

Service Quality and Customer Relationship Management

	Description	Unit	Year		
			2019	2020	2021
Service Quality					
	Next-day delivery service coverage within Thailand	%	99.99	99.99	99.99
	Percentage of parcels delivered on time	%	99	99	97
	Percentage of parcels returned	%	< 1.5	< 1.5	< 1.2

Cybersecurity & Personal Data Protection

	Description	Unit	Year		
			2019	2020	2021
Customer Personal Data Protection					
	Total number of substantiated complaints received concerning breaches of customer privacy	Number	0	0	0
	<ul style="list-style-type: none"> Complaints received from external parties and substantiated by the Company Complaints from regulatory bodies 	Number	0	0	0
	Total number of proven leaks, thefts, or losses of customer data	Number	0	0	0

Environmental Management

Green Economy	Description	Unit	Year		
			2019	2020	2021
Energy	Total fuel consumption from non-renewable sources within the Company categorised by type of fuel	GJ	-	9,901,220.05	9,194,179.08
	<ul style="list-style-type: none"> Amount of diesel consumption Amount of gasoline consumption Amount of LPG consumption 	GJ	-	9,107,332.48	8,978,594.39
		GJ	-	37,220.55	36,610.21
		GJ	-	42,115.78	40,336.69
	Total electricity consumption (gigajoule)	GJ	-	145,220.17	138,637.79
Emissions	Total direct GHG emissions (Scope 1)	Tonnes CO2 equivalent	-	24,228.93	22,356.78
	Total indirect GHG emissions (Scope 2)	Tonnes CO2 equivalent	-	24,065.12	23,052.38
Waste	Total waste generated from business operations	Metric tonnes	-	13,551.07	9,240.00

Green Economy	Description	Unit	Year		
			2019	2020	2021
Material	Total materials that are used to produce and package the organisation's primary products and services	Metric tonnes	-	8,552.75	6,160.00
	• Cartons	Tonnes	-	7,100.00	5,900.00
	• Plastic Wrapping Material	Tonnes	-	1,452.75	260.00
Water	Total water consumption from all areas (m ³)	m ³	-	310,005.00	284,230.00
	Total water consumption from all areas (Mega litres)	Mega litres	-	0.31	0.28
Practice in compliance with environmental policies and measures	Percentage of employees who received the communication regarding ESG compared with the total number of employees	%	-	100.00	100.00
	Percentage of vendors and business partners who received the communication on social and environmental responsibility according to the Supplier Code of Conduct	%	-	100.00	100.00
	Percentage of vendors and business partners who were screened against the Supplier Code of Conduct and regulations regarding labour practice, human rights, and environment	%	-	100.00	100.00

Note: KEX had started recording the data in this table since 2019.

People Management

Description	Unit	Year		
		2019	2020	2021
Total number of employees				
By employment contract				
Full-time and permanent employees	persons	22,336	18,016	21,906
By sex				
Male	persons	13,668	10,662	14,665
Female	persons	8,668	7,354	7,241
By region				
Bangkok metropolitan area	persons	9,720	7,589	9,016
Central	persons	1,768	1,402	1,820
East	persons	1,741	1,354	1,656
North	persons	3,116	2,591	3,047
Northeast	persons	3,365	2,768	3,210
South	persons	2,626	2,312	3,157

Description	Unit	Year		
		2019	2020	2021
By age				
30 - 50 years	persons	8,262	7,730	10,147
50 years above	persons	69	53	76
Below 30 years	persons	14,005	10,233	11,683
By ethnicity				
Thai	persons	22,326	18,007	21,894
Foreigner	persons	10	9	12
Total number of staff with disabilities	persons	329	271	225
Total number of new hires (full-time and permanent only)	persons	7,638	1,104	6,704
Percentage of total employees (full-time and permanent only)	%	34%	5%	31%
Total number of employee turnover (full-time and permanent only)	persons	6,410	4,920	4,930
Percentage of total employee turnover (full-time and permanent only)	%	29%	21%	22.51%
Target of turnover rate	less than %	20%	20%	20%
Minimum notice period provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	month	1	1	1
Total number of suspected cases concerning human rights	cases	4	2	4
By type of violations				
Discrimination		-	-	-
Sexual harassment		1	1	3
Child labour		-	-	-
Forced labour		-	-	-
Unfair treatment from supervisor		3	1	1
Percentage of compliant cases proven to be true compared with the total number of complaints	%	75%	50%	50%
Percentage of complaint cases resolved and compensated compared with the total number of complaints	%	100%	100%	100%
Percentage of employees who received training in human rights policies or procedures	%	100%	100%	100%
Percentage of business lines assessed for risk of human rights violations compared to total number of business lines	%	100%	100%	100%
Percentage of business contracts or agreements that include human rights clauses as one of the conditions of business partnerships	%	100%	100%	100%

Description	Unit	Year		
		2019	2020	2021
Average hours of training per year per employee				
By sex				
Male	hours	10.4	14.65	27.1
Female	hours	12.2	19.4	41.5
Percentage of total employees who received a regular performance appraisal/review	%	100%	100%	100%
By sex				
Male	%	100%	100%	97%
Female	%	100%	100%	98%
By ranking				
Senior management	%	100%	100%	94%
Middle management	%	100%	100%	100%
Junior management	%	100%	100%	100%
General staff	%	100%	100%	97%
Employee engagement score	%	-	50%	70%
Percentage of employees participated in the assessment compared with total permanent employees	%	-	97%	92%
Target of engagement score	%	-	67%	67%
Percentage of employees who acknowledged the result of employee engagement	%	-	-	5%

Community Engagement

Others Social Performance	Description	Unit	Year		
			2019	2020	2021
Community Contribution					
	Financial Contributions	Baht	0	0	100,000
	Employee volunteering during working hours	Baht	0	0	0
	Contribution by means of donation of essential goods or services or entry into alliances or similar	Baht	12,000	1,050,000	100,000

GRI Content Index (Core)

GRI Standard	Disclosure	One Report (page)	Sustainability Report (page)	Website	External Assurance
102-1	Name of the organisation	181	-	-	-
102-2	Activities, brands, products, and services	20-21	-	-	-
102-3	Location of headquarters	181	-	-	-
102-4	Location of operations	150, 181-182	-	-	-
102-5	Ownership and legal form	181	-	-	-
102-6	Markets served	20	-	-	-
102-7	Scale of the organisation	6 (Operational highlights) 60 (Employees)	5 (local hiring)	-	-
102-8	Information on employees and other workers	60 (Employees)	5 (local hiring)	-	-
102-9	Supply chain	22	-	https://investor.th.kerryexpress.com/en/sustainability/sustainability-strategy-and-performance/good-corporate-governance?block=building-sustainable-eco-system	-
102-10	Significant changes to the organisation and its supply chain	13-17	-	https://investor.th.kerryexpress.com/en/corporate-info/key-milestone	-
102-11	Precautionary Principle or approach	62-68	-	https://investor.th.kerryexpress.com/en/corporate-governance/corporate-governance-policy	-

GRI Standard	Disclosure	One Report (page)	Sustainability Report (page)	Website	External Assurance
102-12	External initiatives	-	2-3 5 (We Empower Asia)		-
102-13	Membership of associations	-	5 (We Empower Asia)	https://www.thai-cac.com/who-we-are/our-members/	-
102-14	Statement from senior decision-maker	2-3	-		-
102-15	Key impacts, risks, and opportunities	73-77 (Risk factors)	14, 16-17, 19, 21 (Challenges and opportunities)		-
102-16	Values, principles, standards, and norms of behaviour	4-5	8-9	-	-
102-17	Mechanisms for advice and concerns about ethics	66	-	-	-
102-18	Governance structure	53	-		-
102-19	Delegating authority	53 (Sub-committees)	-	-	-
102-20	Executive-level responsibility for economic, environmental, and social topics	-	18	-	-
102-21	Consulting stakeholders on economic, environmental, and social topics	-	10 (Step 1)	-	-
102-22	Composition of the highest governance body and its committees	53	-	-	-
102-23	Chair of the highest governance body	51	-	-	-
102-24	Nominating and selecting the highest governance body	56 (Nomination and Remuneration Committee)	-	https://investor.th.kerryexpress.com/en/management/nomination-and-remuneration-committee	-

GRI Standard	Disclosure	One Report (page)	Sustainability Report (page)	Website	External Assurance
102-25	Conflicts of interest	66, 80	-	Code of Business Conduct page 16 URL: https://investor.th.kerryexpress.com/storage/content/corporate-governance/corporate-policy/20210527-kex-code-of-conduct-en.pdf	-
102-26	Role of highest governance body in setting purpose, values, and strategy	55	18	-	-
102-27	Collective knowledge of the highest governance body	63	-	-	-
102-28	Evaluating the highest governance body's performance	63-64	-	-	-
102-29	Identifying and managing economic, environmental, and social impacts	36-38	10-12, 14-22	-	-
102-30	Effectiveness of risk management processes	70-72	-	-	-
102-31	Review of economic, environmental, and social topics	-	10-11	-	-
102-32	Highest governance body's role in sustainability reporting	-	10-11	-	-
102-33	Communicating critical concerns	66	24	-	-
102-34	Nature and total number of critical concerns	66	-	-	-
102-35	Remuneration policies	58	-	-	-

GRI Standard	Disclosure	One Report (page)	Sustainability Report (page)	Website	External Assurance
102-36	Process for determining remuneration	56 (Nomination and Remuneration Committee) 64	-	-	-
102-40	List of stakeholder groups	-	24	-	-
102-41	Collective bargaining agreements	-	24 (Workplace Welfare Committee)	-	-
102-42	Identifying and selecting stakeholders	-	24	-	-
102-43	Approach to stakeholder engagement	-	24	-	-
102-44	Key topics and concerns raised	-	24	-	-
102-45	Entities included in the consolidated financial statements	104-105, 150	-	-	-
102-46	Defining report content and topic boundaries	-	23 (Scope of Reporting)	-	-
102-47	List of material topics	-	11	-	-
102-48	Restatements of information	-	13 (Sustainable packaging)	-	-
102-49	Changes in reporting	-	10-11	-	-
102-50	Reporting period	-	23 (1 January 2021 to 31 December 2021)	-	-
102-51	Date of most recent report	-	31 December 2021	-	-
102-52	Reporting cycle	-	Annually	-	-
102-53	Contact point for questions regarding the report	181 (Company Secretary)	-	-	-
102-54	Claims of reporting in accordance with the GRI Standards	-	23 (About this report)	-	-

Material Matters	GRI Standard	Disclosure	Page from Sustainability Report or Website	External Assurance
Environmental aspect				
Climate change	103-2	Management approach	19	-
	305-1	Direct GHG emissions (scope 1)	26	-
	305-2	Energy direct GHG emissions (scope 2)	26	-
	305-5	Reduction of GHG emissions	26	-
Social aspect				
Community well-being	103-2	Management approach	3	-
	203-1	Infrastructure investments and services supported	3	-
Employment	401-1	New employee hires and employee turnover	28	-
Occupational health and safety	403-2	Number of work-related fatalities	5	-
Training and education	404	Management approach	21	-
	404-1	Average hours of training by gender	29	-
	404-2	Type and scope of programs implemented, and assistance provided to upgrade employee skills	21	-
Human rights and labour practices	103-2	Management approach	21-22	-
	412-1	Operations that have been subjected to human rights reviews or impact assessments	28	-
	412-2	Employee training on human rights policies or procedures	28	-
Economic and governance aspect				
Customer privacy	418	Management approach	17-18	-
	418-1	Total number of substantiated complaints received concerning breaches of customer privacy	26	-

SUSTAINABILITY REPORT 2021



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