



รายงานความรับผิดชอบต่อสังคมปี 2555
Corporate Social Responsibility Report 2012

130th BJC

บริษัท เบอร์ลี จุกเกอร์ จำกัด (มหาชน)
Berli Jucker Public Company Limited



130 ปี รากฐานที่ยิ่งใหญ่ ก้าวไกลอย่างยั่งยืน

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Message from President and Chief Executive Officer



BJC has been conducting its business with integrity as a provider of top quality products and services that are involved in the everyday life of the people for the past 130 years till today. We are committed to grow our business in parallel with contributing benefits to the society in conformity with our corporate value, i.e. Caring for Community. BJC is determined to focus on creating not only business economic value growth, but also balancing benefits to all stakeholders, economy, society and environment with ethics, moral principles and good corporate governance. The latter underlined our commitment to operate business with integrity, transparency, fairness and with sustainability.

During the past year the increasingly strong public headline campaign of preparing Thailand for the launch of AEC (ASEAN Economic Community) platform in 2015 has pressured many Thai companies to prepare for overseas investment. From 1950's, when we expanded our operation outside Thailand, BJC has focused on implementation to realize its vision as ASEAN's leading distribution company. In order to capitalize on the high economic growth potential of the ASEAN region we have extended our regional investment plan for further business expansion, such as our investment in an aluminum can factory in Vietnam with increased exports to neighboring countries as well.

As for our social responsibility BJC has a determined purpose to focus on raising the quality of life of the disadvantaged to gain more access to education, which, we believe, is crucial for the country development. Consequently, Berli Jucker Foundation was founded in 1982 with main activities of providing educational scholarships to the disadvantaged students annually. Besides, BJC has also been renewing its "remote school" projects every year by providing school buildings and facilities to rural community schools in need. BJC is committed to implement both projects continuously. In 2012, we granted full continuous educational scholarships from first to fourth year to disadvantaged undergraduate students of Chulalongkorn University, Thammasart University, Konkaen University and Chiangmai University totaling 22 scholarships at the total value of Baht 830,000.

Message from President and Chief Executive Officer

As for the “remote school” project we contributed a 3-classroom building with lavatory, educational supplies and teaching aids, as well as complementary company’s consumer products to the Lions Club School (Ban Angsila) at a total value of Baht 1,350,000. Other programs included educational scholarships for employees’ children and engagement of employees in many other social support activities for children.

Last year, BJC also initiated a new creative project namely “Osteoporosis Prevention and Nurturing Bone Health” programme jointly organized by the Thai Osteoporosis Foundation. The programme comprised a 3.5-KM walking campaign exercise with public participants held at the Queen Sirikit National Convention Center. The latter was followed by a health seminar on Osteoporosis Prevention for Thai people from young age attended by 854 teachers from 391 rural schools in the four regions of Thailand. The seminar was supported by distribution of 13,000 complementary copies of Osteoporosis Prevention guide to the participants.

In addition, BJC realizes corporate responsibility in balancing business operation with conservation of nature and environment by collaborating with subsidiaries in reducing impact to environment, such as installation of a water treatment system at the tissue paper factory so that water can be reused after treatment without polluting nearby public rivers. Secondly, we were able to maintain reduction of carbondioxide emissions of 18% same as in 2011 as a result of the new glass containers production process, though new development project under plan will ensure further reduction of carbon dioxide emissions in the future.

In closing and on behalf of BJC, we wish to express our thanks to all shareholders, customers, investors, business partners and over 9,000 staff members for the trust and continued support to our successful business operations. We promise that we will continue to manage and develop our business with integrity and ethics in the best interest of all parties and society.



Aswin Techajareonvikul
President and Chief Executive Officer

Corporate Social Responsibility

BJC's commitment to social responsibility helps raise the quality of life in Thai communities, in particular by sponsoring the underprivileged through annual scholarships for undergraduates at state universities. The company also continues to deliver on its commitment to provide academic advancement to underprivileged children in remote rural regions throughout Thailand. BJC is also aware of the need for a better environment. As a result, it is following environmentally-friendly practices, including reforestations and recycling programmes.



In 2012, BJC Group are jointly running several projects that are beneficial to the community by expanding previous and developing new initiatives as follow:

○ *Join Forces to Eliminate Osteoporosis: Love Bone Project* Berli Jucker Public Company Limited (BJC), a supporter of the project, publicly announced 'Join Forces to Eliminate Osteoporosis: Love Bone Project' on August 14th, 2012 at Berli Jucker House. This project is established by Thai Osteoporosis Foundation Under the patronage of HRH Princess Galyani Vadhana Krom Luang Naradhiwas Rajanagarindhra (TOPF), which educates people about osteoporosis. The disease is a silent threat lurking in Thai society and Thais have a higher tendency of catching the disease.

In 2012, TOPF, with the support of BJC on the occasion of its 130th anniversary, arranged academic courses to educate primary school teachers at four locations,

- Queen Sirikit National Convention Center, Bangkok (6 September),
- Nakhon Si Thammarat (12 October),
- Chiang Rai (1 November) and
- Surin (21 December).

BJC also published 13,000 copies of the Osteoporosis Prevention Manual which were distributed to teachers and the general public.

Another major activity was a 3.5 km walking rally on 24 November 2012 to promote the project at Queen Sirikit National Convention Center. At the event, BJC group staff joined forces with the TOPF network to raise awareness of osteoporosis among Thai people. Over 1,500 people joined the event.

O *Education Funding*

BJC Foundation

Established: 12 October 1982

Objectives: The Foundation was set up, in conjunction with the Ministry of University Affairs, to commemorate the company's centennial and Bangkok's bicentennial anniversary. Donations are made to Thai public charities, especially Thai educational institutions in support of business administration studies, to cover such disbursements as tutor training, student scholarships, research, and other initiatives by public charities.

1987 Academic Year: Initial donation of 31 scholarships.

1992 Academic Year: The number of scholarships is raised to 100.

1999 Academic Year: The amount of annual funding for each educational grant is increased from THB 7,000 to THB 10,000 to adjust for changing economic conditions. The aggregation of Baht 1,000,000 donation represented a contribution shared equally by the foundation and company.

2000 Academic Year: The terms of annual grant were altered. On condition that the grantee maintains a minimum of 2.2 in GPA, the grant each student receives will cover the duration of the study until his/her graduation. Under the revised terms and conditions, the funding was raised to provide adequate coverage for relevant costs. Of the 100 pre-selected students from 22 educational institutions, 50 scholarships at THB 14,000 each were granted to students in Business Administration and Management Studies and the remaining 50 scholarships at THB 22,000 each were made available to students in Engineering and Technology Science. The 100 scholarships amounted to a total of THB 1,800,000 a year.

Since 1982: Since the inception of the foundation, the foundation and the company have donated more than 2,000 scholarships, totalling THB 29,573,050 million for education and charitable organisations.

Scholarship Presentation:



On 29 May 2012, Khunying Wanna Sirivadhanabhakdi, Vice Chairman of Berli Jucker Public Co., Ltd, presented educational funds from the BJC Foundation to undergraduate students at Chulalongkorn University, Thammasat University, Khon Khan University and Chiang Mai University in the year 2012. The foundation gave away a total of 22 scholarships worth THB 830,000. In 2011, it gave 16 scholarships worth THB 620,000. The total amount of scholarships given is Baht 1,450,000.

Corporate Social Responsibility

○ Continuation of the BJC "Remote School" project in 2012 by contributing a 3-classroom building with lavatory, educational supplies and teaching aids, as well as complementary company's consumer products to the Lions Club (Ban Angsila) at a total value of Baht 1,350,000



○ Support to schools under the “Dream Sharing for 3rd Grader” project of BJC Foods with donations of books and utensils for library, sport equipment, teaching aids and supplies to Wat Ladwai School, Amphur Bangbor, Samutprakarn, Pakamai School, Amphur Poppra, Tak, Puasriprom School, Amphur Chiengkum, Payao and Banhong School, Amphur Viengpapao, Chiengrai. Beside, BJC Foods also held activities to create nature and environmental conservation awareness among children by taking part in the mangrove growing activities in Samutsongkram.



○ Rubia Industries Ltd. provided useful tips to communities on producing a lemon-formula dish-washing liquid for home use as a cost-saving option and career-support benefit for local communities. Rubia Industries Ltd. also participated in the government’s “keep every canal water clean” program as part of the government’s national flood prevention project.



In 2012, the Company has continuously carrying out the following mechanism in order to be in compliance with the Good Corporate Governance Principles, based on the 2006 guidelines of good corporate governance of listed companies by the Stock Exchange of Thailand and the corporate governance policy of the Company which approved by the Board of Directors Meeting No. 7/2012 held on 22 December 2011 which is a useful guideline for all Directors, Management member and employee of the company to understand as follow:

1) Rights of Shareholders

- The shareholders entitled to full rights to freely buy, sell, transfer shares they hold.
- The shareholders have the rights to receive dividends from the Company which is complied with the written Company's dividend payment policy that is equal for each shareholder.
- Whenever there is any significant matter which its occurrence may affect to the Company and its business, or have a significant effect on a shareholder's investment decision, the information will be disclosed via electronic channel provided by the SET and posted on the Company's website under the SET regulations regarding the disclosure of information.
- Any shareholder holding in aggregate one-fifth of all issued shares or at least 25 shareholders holding in aggregate at least one-tenth of all issued shares can submit a written request to the Board of Directors to call for an Extraordinary Shareholders' Meeting, stipulating the reason for calling such a meeting.
- The shareholders have the rights to attend Shareholders' meeting. The Company convenes The Annual General Meeting once a year within 4 months after the end of the financial year at a time stipulated by the Board of Directors. In relation to the delivery of the notice of the meeting, the shareholders will be delivered all necessary information such as the minutes of the previous meeting, annual report, the power of attorney for assigning proxy etc. The notice of the meeting has been sent 14 days prior to the meeting date and was publicized on Thai daily newspaper with at least 3 consecutive days prior to the meeting date. In addition the Company has also disclosed the Notice of the Annual General Meeting of the Shareholder, agenda items and other supporting documents in the Company's website; www.bjc.co.th 30 days prior to the meeting date
- At the Shareholders' Meeting, shareholders are free to express their opinions and suggestions and have the right to cast as many votes as the number of shares they hold, each shareholder is entitled to one vote for each of the share they hold.

2) Equitable Treatment of Shareholders

- The Company provides the right for all shareholders to propose issues or items to the agenda and nominate candidates for the positions of director at least 4 months in prior to the Annual General Meeting and all relevant details were published on its website.
- The Company provides a proxy form for shareholders who cannot attend the shareholders' meeting in order to appoint a proxy to represent and vote for them at the meeting. The Company provides proxy forms in format that shareholders can direct their votes in compliance with those are required by Ministry of Commerce and deliver together with the notice of shareholders meeting.

The Company also provides a name of at least one of the Company's Independent Directors as an option for the shareholders to appoint to represent as a proxy on their behalves.

- The Company is committed to conducting business in accordance with the Code of Conducts since 2008 where all directors, management and employees of the Company to understand.
- The Company sets standards for all directors and top management to disclose information when they encounter interests that potentially affects the Company and their connected persons since 2009 by the resolutions of the Board of Directors Meeting No. 5/2009 held on 13 August 2009.
- The Board of Directors fixes the agenda for shareholders' meeting in advance with the Board of Directors' opinion for each agenda. The additional agenda of shareholders' meeting never been added without prior notice.
- The shareholders are entitled to attend the meeting after the meeting is started and have the right to vote in agenda in between consideration and no vote is casted. Quorum and votes will be counted only for the agenda they attend.
- Explanation of shareholders' rights and voting procedures during each shareholders' meeting have been provided in detail before opening the meeting. In addition to the information included with the meeting notices, the shareholders have the right to question any outstanding items to their satisfaction before registering their vote on each item of the agenda.
- The Company provides voting coupons for shareholders to vote in each agenda for transparency and provable purposes in case that any argument may be raised.
- Board of directors offer the chance for shareholders to appoint each individual director by providing each voting coupon for each director appointment voting.
- The language used for conduct the meeting is Thai
- The Company sets standards for security and protection of inside (internal) information clearly in writing and issues them to all employees. In addition, it adheres to strict procedures in the issuance of information by SEC under Clause 59 of the Securities and Exchange Act of 1992. If the directors and management buy or sell company shares, they must list the transactions for the relevant agencies and send copies to the Company.

3) Roles of Stakeholders

The Company values the rights of stakeholders and, therefore, adheres to all relevant laws and regulations to protect their rights.

4) Disclosure and Transparency

- Disclose accurate, complete, timely, and as stipulated under laws for the disclosure of information that would affect the right to benefits or investment decisions by shareholders or investors.
- Prepare quality standard information, particularly company budget and profits that must pass the consideration and auditing of a reputable independent auditor and the Audit Committee that has experience, knowledge and the ability to audit and be responsible for the tasks assigned by the Board of Directors for the annual report.

- Maintain correct information be disclosed accurately, equally and efficiently to all concerned parties in compliance with governing laws and regulations via the channels of Stock Exchange of Thailand, Form 56-1 and Annual Report and update on the Company website www.bjc.co.th both in Thai and English.
- The Board of Directors meeting No. 7/2011, held on 22 December 2011 has approved the written policy for good corporate governance and compliance report was presented in Form 56-1, Annual report and on the Company website www.bjc.co.th respectively.
- The Company has disclosed the duties of Board of Directors and Committee with number of meeting and attendance of each director in the past year, including remuneration of directors and top management in Form 56-1 and Annual Report.
- The Company assigns the President to be responsible for the disclosure of company information to investors. In 2012, the President on behalf of Company, met with investors at SET during the Opportunity Day and generally disclosed information to market analysts and investors.

5) Responsibilities of the Board of Directors

Structure and Scope of Duties and Responsibilities

At Present, the Board of Directors consist of 15 directors of which it has 12 non-management directors and 3 management director. The Company have 5 independent directors or one-third of the total directors.

The Board of Directors realizes it responsibilities to always act in accordance to the law with meticulous care in the supervision of the Company's operations adhering to the codes of Duty of Care and Duty of Loyalty to will provide utmost benefit to the Company and shareholders as well as all stakeholders by adhering to Good Corporate Governance. This will assist the Company to grow together with society in a sustainable manner.

The Company has developed a company structure to ensure close supervision and efficient management in all aspects. Their work must pass the scrutiny of all subcommittees to ensure confidence in the Management Board and achieve the Company's vision and goals. The Board of Directors is responsible for establishing the Company's vision and supervising business in accordance to the Company's vision, obligations, strategy, goals, and business plan. It must also supervise the Management Board to ensure it adheres to the business plan and budget efficiently, as well as any matter that relates to the Company's reputation that is approved by the Reputation (Image) Management Board.

Remuneration of Directors and Management

The Company instituted remuneration for the Board of Directors that is comparable to the remuneration of the Board of Directors of other leading companies at the national level and within the same industry sector. The Board of Directors investigated and then set the remuneration that a moderator presented to the Board of Directors and the shareholders meeting approved.

As for the remuneration of top executives, the Board of Directors investigated and set remuneration that a moderator presented, and the Board of Directors considered this as is their responsibility after considering the performance of each individual as well as the results of each business together with the remuneration of other top executives in the business and industry sector. The method of payment of remuneration is suitable in relation to the Company's performance and earnings and the performance of each individual that clearly reflects earnings and will sufficiently motivate the individual in a manner that will ensure their the continued service if desired.

Development of Directors' Knowledge and Skills

The Company encourages directors and top executives to join seminars that will improve their performance as well as provide an opportunity to exchange ideas with directors and executives of other organizations. The seminars are organized by the Company and government agencies which include those offered by the Thai Directors Institute at the Office of the Securities and Exchange Commission for which the directors must register for at least one curriculum.

These include Director Certification Program (DCP), Director Accreditation Program (DAP) and Audit Committee Program (ACP) to expand their knowledge and experience to help the organization to continue to grow.

Code of Conduct

At the Board of Directors Meeting No. 7/2008 held on 13 November, 2008, a resolution was approved for the Company to write a Code of Conduct to be given to directors, top executives and staff so they clearly understand the standards of conduct the Company adheres to in its business operations and transactions. The Board of Directors then informed all relevant persons through the internal departments and on the Company website as of 14 November, 2008.

HR Management Responsibilities

Being committed to achieving operational excellence BJC has been applying international best practices to our human resource management processes, i.e. from attracting, selecting, recruitment, training and development of personnel, to retention of key performers. These are integrated with our inspiring corporate values, which reflect the uniqueness of our culture. The objectives are to support the Company's business continuity and sustainable growth effectively with link to a fair and market-competitive remuneration rewarding system contributing to the well-being, quality of life and happiness of employees.

BJC treats its employees like family with open communication and empathy supported by an appropriate remuneration system, including a competitive package of various staff welfare and benefits. BJC has also implemented a mentoring system in the workplace, which helped new employees adapt quickly to the BJC "team" and the BJC culture smoothly.

As a result of the above endeavors and practices on a consistent basis BJC has been officially recognized as an "Outstanding Business Company in Labour Relationships and Welfare" with an award conferred by the Ministry of Labour, Department of Labour Protection and Welfare, for the past six consecutive years from 2007 up to 2012.



Recruitment

BJC continued recruiting new employees in 2012 to support its business expansion both domestically and abroad. Screening and selection processes are based on fairness with equal opportunities given to all qualified candidates regardless of genders and race. Tests and interviews are done by highly experienced and capable recruitment board. Candidates are selected on the basis of competency, ability and merit.

Welfare and benefits Administration

As a responsible employer, BJC has provided a wide variety of welfare and benefits to staff and their family members on par with other leading companies as follows:

1. Healthcare-related welfare
 - Annual medical check-up for employees
 - Medical First-Aid Room with Doctor on duty
 - Medical care for employees and family members

2. Recreation-related welfare
 - Holiday bungalows
 - Low-price products sale
 - Staff New Year Parties
3. Training and development
4. Security-related welfare
 - Social Security Fund
 - Life Insurance
 - Employee Provident Fund
 - Employee Savings Cooperative
 - Long year service awards
5. Other welfare for employee's family members
 - Scholarships for employees' children

Besides, the company also provides temporary relief and preventive solutions for certain exclusive situations such as provision of vaccines for staff during an infectious disease outbreak, temporary accommodation and interest-free loans for staff living in the flooded areas.

Remuneration and Compensation Management

BJC has incorporated the performance-related pay system in its remuneration and compensation policy as a strategic measure to achieve organizational performance objectives supported by continuous improvement of operational processes and manpower development plan. At the same time, BJC has been monitoring regularly the remuneration trend of the industry leading to annual review of the staff remuneration package to be on competitive level with other competing companies.

Employee Relations Activities

BJC embraces and fosters the culture of openness and participation by creating an environment, which encourages free exchange of views, fostering interactions and discussion on ideas and issues, to improve interpersonal relationship and working as a team spirit. Important staff activities held by the company during the year included team-building programmes, merit-making functions and annual Town Hall meetings.



Corporate Profile

- B** - Beyond Satisfaction
- J** - Joint Success
- C** - Caring for community

Strength through Heritage

Berli Jucker: Building Partnerships in Thailand since 1882

The rich and remarkable history of Berli Jucker Public Company Limited (BJC) that spans over 130 years takes it to the very forefront of the trading, manufacturing and servicing fields in Thailand.

The company's inception was first created through a partnership between the Berli and Jucker families. This was the first of many strong partnerships that led to one of the Kingdom of Siam's earliest and most successful trading companies.

Originally, BJC engaged in rice milling, mining, timber, shipping, importing, and other activities that laid a foundation instrumental for Thailand's progress towards an "industrial" stage. By carefully selecting and nurturing its local and international partners, BJC continuously prospered over the years to become a major Thai import and export firm. After World War II, BJC diversified its operations into manufacturing, packaging, and distribution.

Key Historic Milestones:

- 1882 Albert Jucker and Mr. Henry Sigg established 'Berli Jucker' under the name "Jucker, Sigg & Co."
- 1924 The Company's name changed to "Berli Jucker & Co."
- 1965 The Company was changed into a majority owned Thai Limited Company under the name "Berli Jucker Co. Ltd."
- 1967 His Majesty King Bhumibhol graciously awarded a Letter of Appointment Berli Jucker Co. Ltd., allowing the Company to use the Royal Garuda emblem.
- 1975 Berli Jucker Co. Ltd. was one of the first seven companies to be listed on the Stock Exchange of Thailand (SET).
- 1993 The Company was transformed into a Public Company Limited under the name "Berli Jucker Public Co. Ltd."
- 2001 Thai Charoen Corporation Group (TCC Group), one of Thailand's largest conglomerates engaging in alcohol beverage and related businesses, industrial production, commercial trading, property and financial services, effectively became the majority shareholder in Berli Jucker.
- 2006 The Company increased BJC Cellox capacity up to 45,000 tons per year, thus becoming the largest producer of tissue in Thailand.



- 2007 The Company acquired a 50% stake in Thai Beverage Can Co., Ltd., Thailand's leading manufacturer of aluminum cans and can ends.
- 2008 The Company acquired a 100% stake in Jacy Foods Snd Bhd, a Malaysian manufacturer and distributor of potato chips and extruded snacks both in its domestic market and other Asian countries, including Singapore, Hong Kong, Philippines and Brunei. The acquisition enabled BJC to expand its snack markets and manufacturing base in Southeast Asia. The Company also increased production capacity of glass bottles by constructing a new furnace capable of producing 434 tons per day which was completed in mid-2008. Berli Jucker currently has staff about 9,000 both in Thailand and abroad, and produces its own brands that are highly recognized in the market including: Tasto potato chips, Dozo rice crackers, Cellox tissue paper products, and Parrot soap products. In addition, BJC also represents numerous distinguished brands from third parties. Today, Berli Jucker is proud to be a leading provider of marketing, sales, and distribution services in Thailand and manages several of the most efficient manufacturing operations in Asia.

Vision & Mission / Value & Culture

Vision:

Berli Jucker Public Company Limited is committed to be a provider of integrated supply chain solutions in the region, providing top quality products and services that are involved in the everyday life of people.

Mission:

Berli Jucker Public Company Limited is dedicated first and foremost to delivering high-quality products and superior service to our customers.

This will be realized by building an extensive yet cost-effective distribution network across the region, being the preferred partner of choice to all our clients, and ultimately achieving superior returns on investment to our shareholders.

Value and Culture

Value : The current success of BJC is based on our sound and solid foundation - we are like a tree with roots that reach deep into the earth and branches that reach out to the Thai society. We believe in and adhere to our core values:

B — Beyond Satisfaction

BJC believes in the significant values of feeling and satisfaction of the customers.

J — Joint Success

BJC also believes in the significant values of joint success.

C — Caring for Community

BJC further believes in the significant values of caring community.

Culture : BJC personnel engage each day with a kind of creativity and mutual collaboration that creates a corporate culture that can be described as:

Dynamic

Determination to grow strong

Creative

Having initiative and being able to build upon existing grounds

Friendly

Belief in planting the seeds of friendship in the hearts of people, and nurturing them with sincerity and hospitality

Together, we are a large tree that will grow even stronger and more fruitful for all.



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Berli Jucker Public Company Limited

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