

SUSTAIN ABILITY



REPORT 2022





PROTECTING THE PLANET AT SOURCE

CARBON CAPTURE

COMMITMENT & POLICY STATEMENT ON BUSINESS OPERATIONS

Carpets International Thailand Public Company Limited is the largest manufacturer and distributor of comprehensive range of carpets manufactured from various types of natural & synthetic yarns and fibers in Thailand, with fully integrated facilities. We are committed to produce and supply quality products and services based on ethical codes of conducts and standards on occupational health & safety, environment, energy and labor with responsible care to the society.

Our commitments covering Framework, Policies, and Guidelines for our business operations, are as follows:-

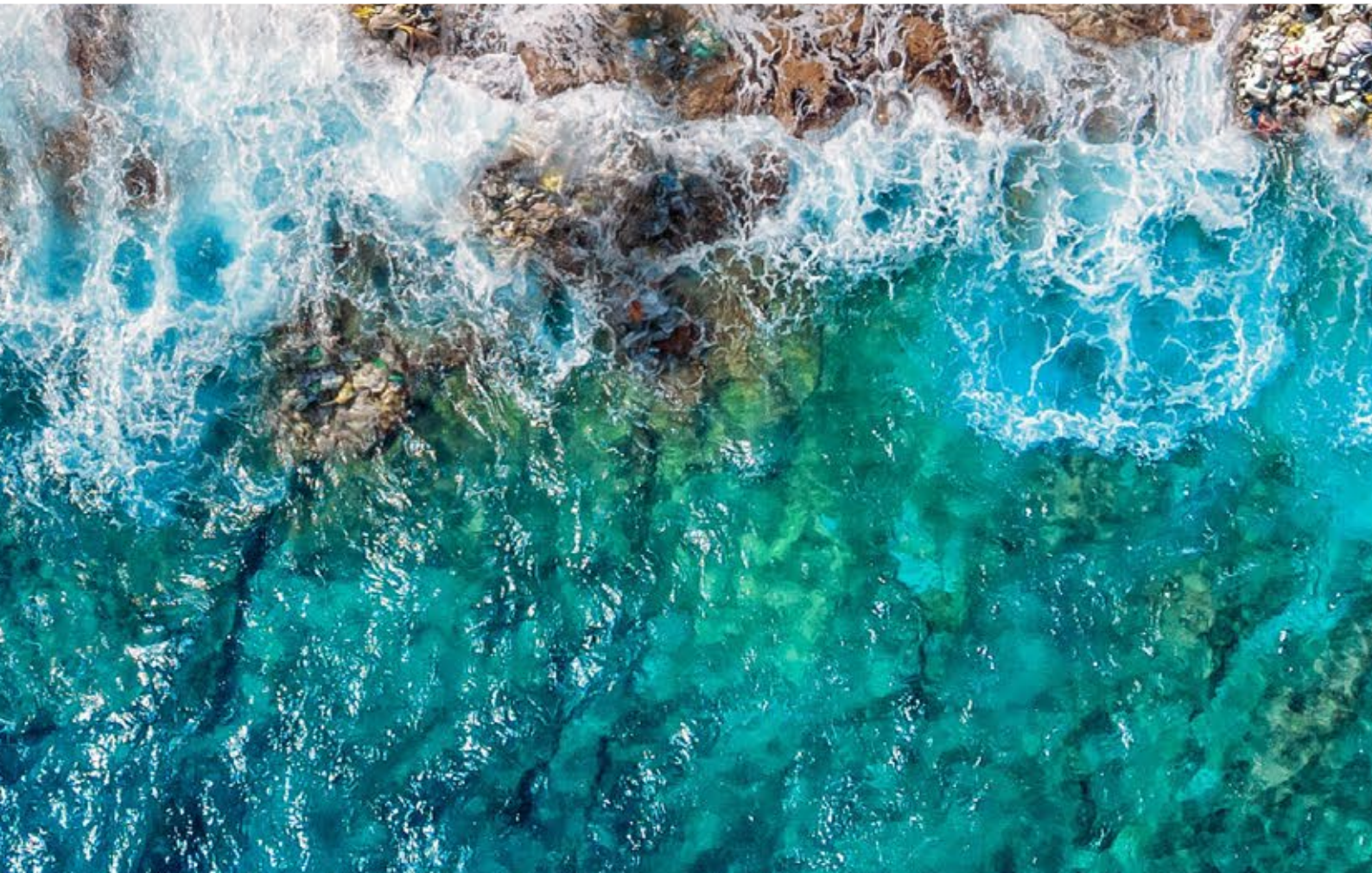
1. Comply with Legal and other relevant standard requirements governing our operations.
2. Strive to manufacture quality products and deliver on-time according to the customers' expectations with responsible care in preventing harms and health hazards to our workforce and all relevant parties. We shall control all types of losses and detrimental effects, which may result from our operations to acceptable minimum levels.
3. Commit to continuously improvement in effective and efficient use of resources including energy across the supply chain from material supply, product & service design, manufacturing, installation and delivery, environment protection, pollution prevention, addressing climate change and practice in compliance with international labor standards.
4. Regularly review our objectives, business operating plans, and performance for continuous improvement and sustainable development.
5. Promote employees at all levels to recognize the importance of manufacturing quality products with no detrimental effect to the environment, safety, energy and quality of life of all involved.
6. Management communicates objectives, goals, and policies on participation and involvement to all levels of employees and stakeholders.
7. To enable effective implementation of above policies, Management will provide supports and necessary resources as well as development of people skills and competencies, to promote effective operations by all of our employees.

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1. INTRODUCTION



INTRODUCTION - COMPANY PROFILE

www.carpetsinter.com

At Carpets Inter, your vision is our benchmark. The most comprehensive product range.

From the largest corporate projects to the most discerning individuals, Carpets Inter has the attention to detail and expertise to help realize any vision. We are one of the largest contract carpet manufacturers of woven, tufted, and modular-tile carpets for hospitality and commercial markets including specialized sectors such as cruise & aviation. Our comprehensive product range covers non-woven needle punched floorings for automotive and exhibition sectors. With our 'Can Do' attitude, we pride ourselves on being able to fulfill the requirements of any job.

The 'One-Stop' Carpet Supplier. All aspects of creation happen under one roof.

We are not simply a manufacturer, but have the capabilities in-house to take projects from concept all the way to installation. Our 160,000 square meter modern factory employs 1,200 people and houses an entirely vertically integrated production facility, including fiber and yarn extrusion, wool and synthetic yarn spinning, dyeing, twisting, heat setting, weaving, tufting, needle punching, and finishing. For any custom project, our pre-sales activities include efficient design, sampling, floor planning and estimation services to help our customers. Our post-installation support is second to none in the industry.

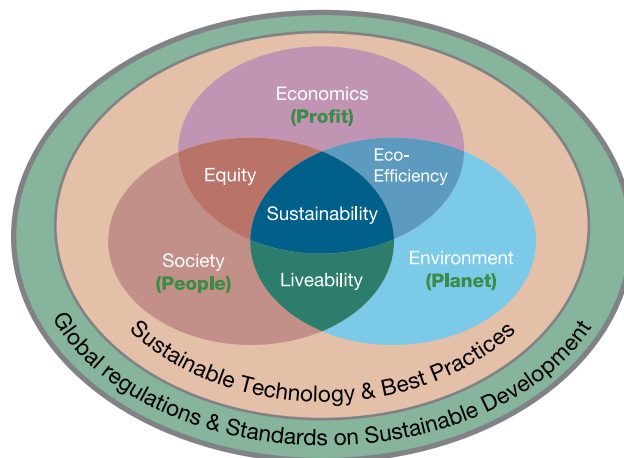
- Design Concept
- Design Service
- Sample Service
- Floor Planning and Estimation
- Material and Production Planning
- Fiber & Yarn Extrusion/Spinning
- Dyeing & Winding
- Weaving, Tufting, Non Woven Production
- Finishing & Inspection
- Warehousing & Distribution
- Installation & After Sales Services



Principle & Framework

Our "Sustainability & CSR principle" features

1. Triple Bottom Line - 3P Principle for Sustainable Development (John Elkington's)
 - > **Profit** - Economic optimization
 - > **People** - Social responsibility
 - > **Planet** - Environmental development
2. PPP (Prevention Participation Programs) based on CI : 5S activities.



Mission & Objective

Drive sustainable growths by delivering key values to customers while preventing all kind of wastages & losses by participation & involvement of all stakeholders across our whole supply chain with responsible care which results in no detrimental effects to the environment and the society.

Programs:

1. Compliance with all relevant regulatory & industry standards. namely Local & International laws & regulations, International standards on Q/S/E & En/L management system - ISO9001, ISO45001, ISO14001, ISO 50001, TLS8001 including ISO26000 on Social Responsibility, as well as "Green" Product & Raw material certification.
2. CI : 5S/PPP (Prevention Participation Programs)
 - Waste & Inventory Minimization Program
 - Energy & Water Conservation Program
 - OKJ Program (Observation, KYT - Kizen - Yoshi - Training/Methodology on Identifying & Minimizing Personal Hazards, JSA-Job Safety Analysis)
 - PM/TPM (Preventive/Total Productive Maintenance) Program - Skill & Competency / Knowledge Management Program
 - Networking & Benchmarking / Cross Functional Teams & Small Group Activities (CFTs & SGAs) Improvement Project (IP's)
3. Carpets Inter practices prevention at source rather than solely relying on purchasing Carbon credits to offset our carbon footprint. From repurposing and reusing waste PET bottles into new product, providing organic waste to agriculture and planting thousands of trees each year in our local community, it's just good stewardship.

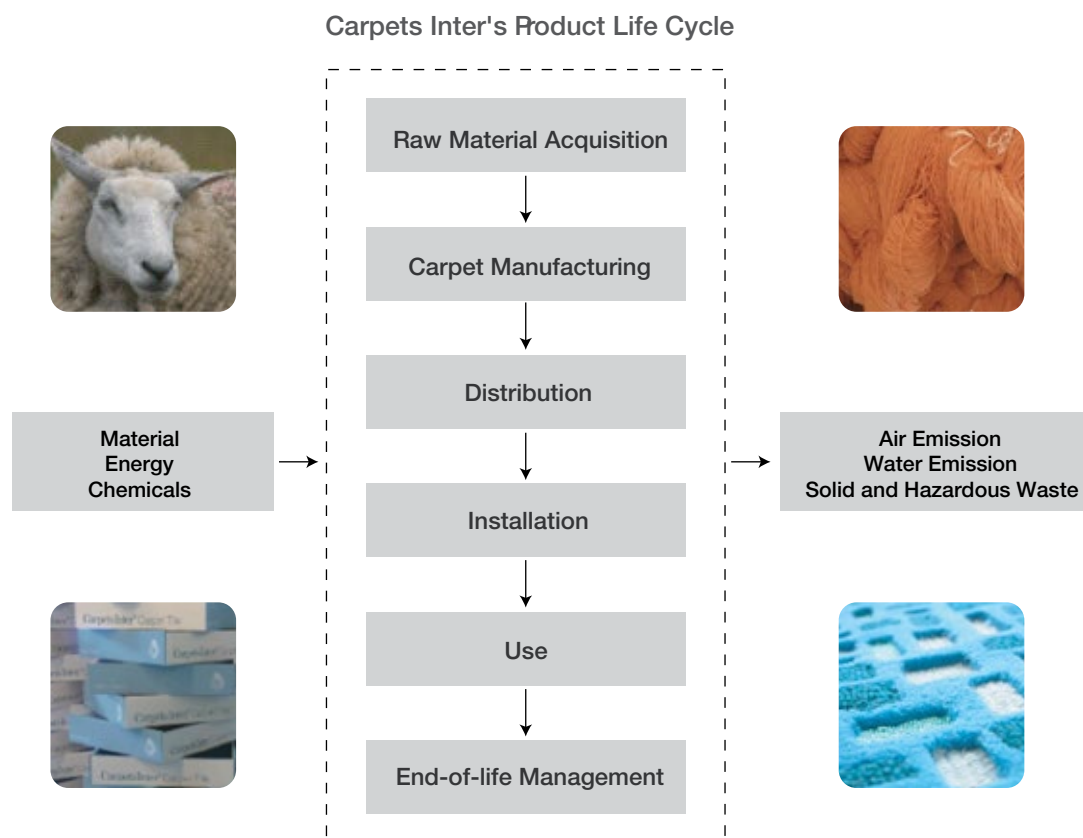


2. STANDARD COMPLIANCE



Product Life Cycle Assessment (LCA)

The goals of this study are to investigate the environmental loads and identify the key life cycle stages and environmental issues for the entire life cycle of the carpet.













The Life Cycle Assessment (LCA) for four categories of carpet has been completed.

- > Broadloom Axminster Carpet
- > Broadloom MachineTufted Carpet
- > Axminster EcoSoftTile
- > Machine Tufted EcoSoftTile

From LCA (Life Cycle Assessment) data, our company can design products following Eco-design Principles and DfE (Design for Environment) and use of the data can help us to reduce the environmental impact of carpet manufacturing.

Product Certification

Product Standard			Machine Tufted			Axminster		Hand Tufted		EcoSquare Tile		EcoSoft Tile		ØFlow	ØFlowSoft	Axminster EcoSoft Tile		
			Wool	WN	Nylon	WN	Nylon	Wool	Nylon	Nylon	PP BCF	Wool	Nylon	Nylon	Nylon	Wool	Nylon	
Niche Market Requirement	Maritime (IMO)	 DNV	◆			◆												
	EU	 CE-MARK	◆	◆	◆	◆	◆	◆			◆	◆				◆	◆	
S&E & Sustainability	USA	 Green Label Plus (GLP)	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆			◆	◆	
		 NSF 140				◆ Gold	◆ Silver					◆ Gold				◆ Platinum	◆ Gold	
	Australia	 ECS	◆ Level 3		◆ Level 3	◆ Level 3	◆ Level 3			◆ Level 4	◆ Level 4	◆ Level 4				◆ Level 4	◆ Level 4	
	Singapore	 Singapore Green Label				◆		◆		◆		◆						
		 Singapore Green Building Product								◆		◆						
	New Zealand, Asia, Europe	 Declare Label										◆		◆				
	Thailand	 MIT Label	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆
		 Carbon Footprint			◆	◆					◆		◆					

Remark ◆ Has been certified

Carpets Inter is continuously developing and improving our products to be Environment and Health & Safety Friendly through eco-design concepts. Carpets Inter continuously achieved these product certifications.

1. Green Label Plus

This label is awarded for products releasing the lowest levels of VOCs, i.e. Indoor air quality. We now have six product groups that meet criterion.

Green Label Plus certified products:



- > Broadloom Axminster Carpet (Wool/Nylon, Nylon)
- > Broadloom Machine Tufted Carpet (Wool, Wool/Nylon, Nylon)
- > Hand Tufted Carpet (Wool, Nylon)
- > EcoSoft Tile Carpet (Wool, Nylon)
- > EcoSoft Tile Axminster Carpet (Wool/Nylon, Nylon)
- > EcoSquare Tile (Nylon)
- > Zero Flow (Nylon)

2. ACCS : Australian Carpet Classification Scheme

The Environmental Certification Scheme (ECS) is an environmental labeling system for Textile floor coverings. It is an extension of the internationally recognized Australian Carpet Classification Scheme (ACCS). Certified products must comply with a range of performance criteria and have a current ACCS grading.

ECS certification levels and associated performance criteria are



Raw Material

To restrict or ban the use in certified carpet of toxic substances, heavy metals and hazardous substance.

Manufacturing

To promote good environmental practice at the plant-level.

Fitness for Purpose

To ensure that an ECS certified textile floor covering has a positive effect on indoor environmental quality and is fit for its intended use.

Product Emissions

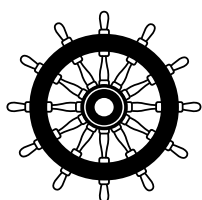
To ensure that emissions of volatile organic compounds (VOCs) from environmentally certified carpet do not exceed prescribed target levels for total emissions and 13 chemicals of concern.

Carpets Inter achieved ECS level 3 for 4 products and level 4 for 53 products divided into 9 groups:

Nylon EcoSoft Tile, Wool EcoSoft Tile, Nylon EcoSquare Tile, Wool/Nylon Axminster EcoSoft Tile, Nylon Axminster EcoSoft Tile, Wool/Nylon Axminster Broadloom, Nylon Axminster Broadloom, Wool Machine Tufted, Nylon Machine Tufted

3. Product Certificate

IMO FTPC Certification (International Maritime Organization) – Fire Test Procedures Code



0575/10

IMO (International Maritime Organization) is the United Nations specialized agency with responsibility for the safety and security of shipping and the prevention of marine pollution from ships. Member Governments use IMO to draw up internationally agreed upon standards that can be applied to all ships.

Carpets Inter's products are Wheel Mark certified for low flammability, low smoke, toxic gas generation to be used on ships. The following 2 products from Carpets Inter comply with IMO FTPC

1. 80% Wool 20% Nylon Broadloom Axminster Carpet
2. 100% Wool Broadloom Machine Tufted Carpet

4. Singapore Green Label

The Singapore Green Labelling Scheme (SGLS) was launched in May 1982 to endorse consumer products and service with minimum undesirable effects on the environment.

This is administered by the Singapore Environment Council.



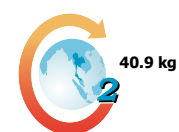
Under the products category, Singapore Environment Council has certified more than thousand industrial and consumer products with the Green Label as a seal of endorsement on its environmentally-friendly claims to fight against the abuse of green-washing

Carpets Inter's product groups were certified:

- > Nylon EcoSoft Backing Carpet
- > Nylon EcoSquare Carpet Tile
- > Hand Tuft Carpets (Wool)
- > Axminster Carpets (WN)

5. Carbon Footprint

The Carbon Footprint of Products (CFP) takes into account the quantity of GHG emissions from each production unit throughout the whole life cycle (cradle –to-grave) of a product. The Carbon Footprint calculates the carbon dioxide equivalent (CO₂e) of the GHG emitting from the raw material acquisition, manufacture, use, waste management and final disposal, including related transport in all stages.



EcoSquare Tile



Broadloom AX Carpet



EcoSoft Tile



MT Broadloom Carpet

Following Carpets Intels products were assessed & certified:

- > Broadloom Axminster Carpet
- > Machine Tufted Broadloom Carpet
- > Machine Tufted EcoSoftTile
- > Machine Tufted EcoSquareTile

6. CE-Mark

It is a declaration by the manufacturer that the product meets all the essential requirements of the relevant European health & safety and environmental protection legislation as well as certain European Directives. CE marking give easier access into the European market without adaption or rechecking.



Following Carpets Intels products passed CE Marking:

1. Machine Tufted Broadloom
2. Woven Axminster Broadloom
3. EcoSoft tiles
4. Axminster tiles
5. Handtufted

7. NSF 140

NSF/ANSI 140 – Sustainable Carpet Assessment

The first American national Standard Institute (ANSI) approved, multi-attribute sustainable carpet assessment Standard which identifies that the certified carpets have reduced environment impact. NSF 140 was designed to establish a system with varying levels of certification to define sustainable carpet include Silver, Gold, Platinum. The sustainable carpet standard NSF 140 is recognized within the LEED scheme



5 key areas are evaluated in NSF 140 assessment:

- > Public Health and Environment
- > Energy and Energy efficiency
- > Bio – Based Content, Recycled Content Materials or Environmentally Preferable Materials
- > Manufacturing Management
- > Reclamation and End of Life Management

Following Carpets Inter's products were assessed and certified

- > Wool Cushion Back Carpet Tile, Platinum level
- > Wool Broadloom Carpet, Gold Level
- > Nylon Broadloom Carpet, Silver level
- > Nylon Machine Tufted Cushion BackTile, Gold level

8. Singapore Green Building Product

The SGBP scheme is regarded as one of the key standards and benchmarks for green building products in the building and construction industry. As such, the SGBP is well recognized under the Green Mark Scheme, Singapore's national green building rating tool administered by the Building and Construction Authority (BCA). Building products are assessed on their environmental properties and performance through a comprehensive list of assessment criteria covering the five key areas of Energy Efficiency, Water Efficiency, Resource Efficiency, Health & Environmental Protection and Other Green Features.



Following Carpets Inter's products were verified:

- > EcoSquare®
- > EcoSoft®

9. DECLARE Label

Declare is regarded as the toughest materials transparency standard in sustainable construction. The Declare program enables manufacturers to communicate their product ingredients in an effort to promote transparency and accountability.



Carpets Inter's products have received the highest level of 'LBC RED LIST FREE' under the International Living Future Institute (ILFI) Declare Label Award program. This achievement further demonstrates Carpets Inter's commitment to material transparency to provide hygienic and healthy occupied spaces. The Living Building Challenge is the world's most rigorous proven performance standard for buildings.

Living Buildings are:

- Regenerative buildings that connect occupants to light, air, food, nature, and community.
- Self-sufficient and remain within the resource limits of their site.
- Create a positive impact on the human and natural systems that interact with them.

Following Carpets Inter's products were verified:

- > EcoSoft® back Carpet Tile for RED LIST FREE
- > EcoSoft® back Megaplank® for RED LIST FREE
- > ØFlowSoft® for RED LIST FREE
- > EcoSquare® back Carpet Tile for Declare

10. Made in Thailand (MiT)

Federation of Thai Industries has pushed to promote products made in Thailand. To build confidence in Thai products and to encourage government agencies, the private sector and people in the country to support more products made in Thailand. as well as building confidence in foreign partners.



Now, we register 10 Products as following;

1. Nylon EcoSquare
2. Nylon EcoSoft
3. Machine Tufted Wall-to-Wall
4. PP PVC
5. Hand Tufted
6. Axminster
7. Needle Punch
8. Nylon ZeroFlowSoft
9. Axminster Tile
10. Pass Tuft

INTRODUCTION - MANAGEMENT SYSTEM

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Management System



Quality Management System (ISO 9001)

British Standard Institution (BSI)



Environmental Management System (ISO 14001)

British Standard Institution (BSI)



Occupational Health and Safety Management System (ISO 45001)

British Standard Institution (BSI)



Energy Management System (ISO 50001)

British Standard Institution (BSI)



Green Industry Level 3 Ministry Of Industry



The Recognition of being AEO Importer/Exporter Thai Customs Department

INTRODUCTION - PRODUCT CERTIFICATE

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Product Certificate



Green Label Plus



NSF 140



ACCS : Australian Carpet Classification Scheme



Declare Label International Living Future Institute



Singapore Green Building Product Classification Scheme



MiT : Made in Thailand



DNV IMO



Singapore Green Label



Carbon Footprint

INTRODUCTION - AWARDS

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Awards



2007 Awarded "CSR-DIW"



2010 Awarded "Logistic Development"



2011 Awarded "CSR-DIW Network"



2011 Awarded "Social & Employee Responsibility for Flood Situation"



2013 Awarded "CSR-DIW Level 4"



2014 Awarded "Enables to maintain Thai Labor Standard For 5 consecutive years and over"



2016 Awarded "Groundwater Management"



2010-2017 Awarded "CSR-DIW Continuous"



2017 Awarded "Environmental Good Governance"



2012 Awarded "Environmental Good Governance"



2017 Awarded "Enables to maintain Thai Labor Standard For 10 consecutive years"



2018 Awarded "Sustainable Growth, Responsible Leadership and Operational Excellence"



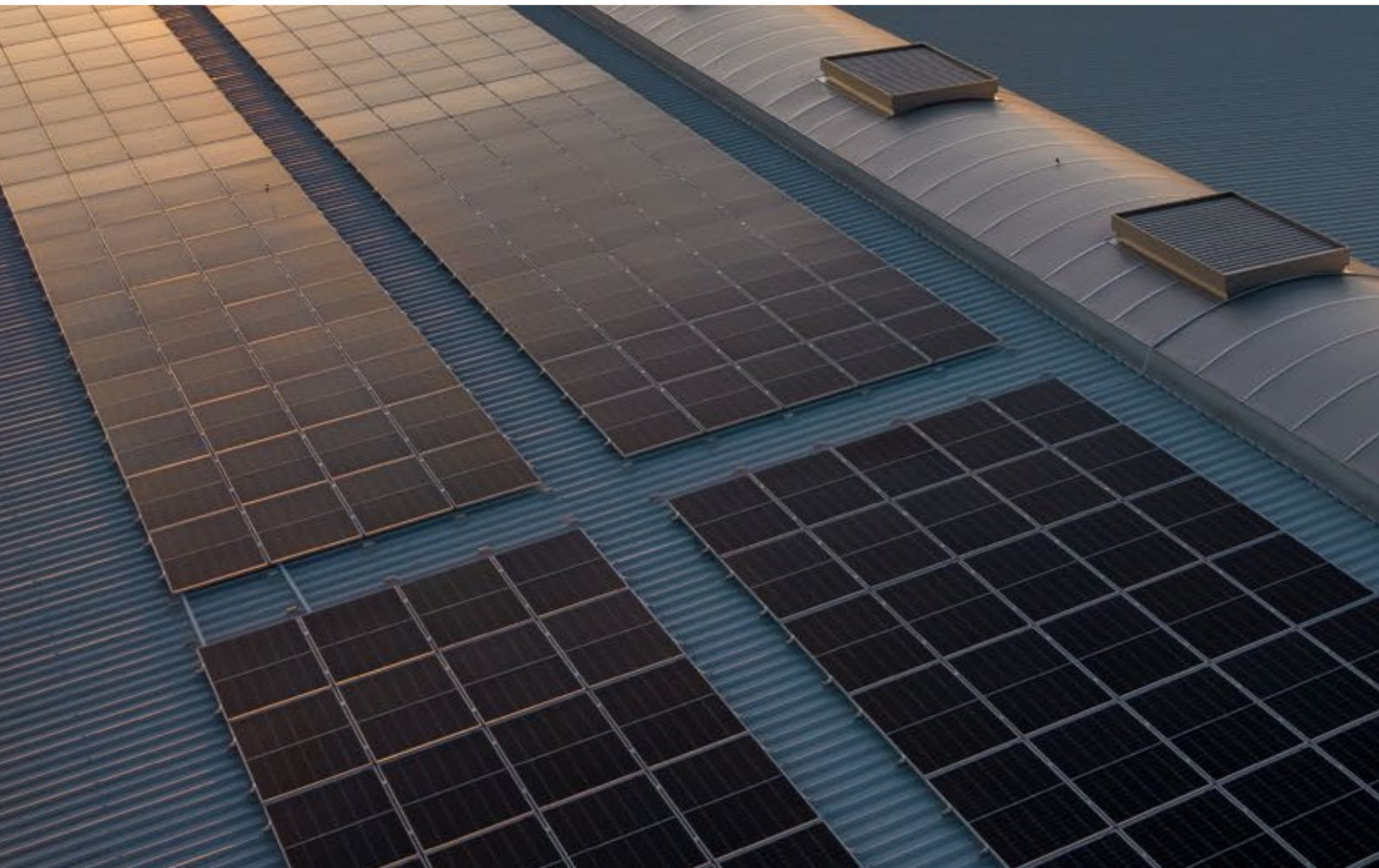
2019 Awarded "Sustainability Awards"



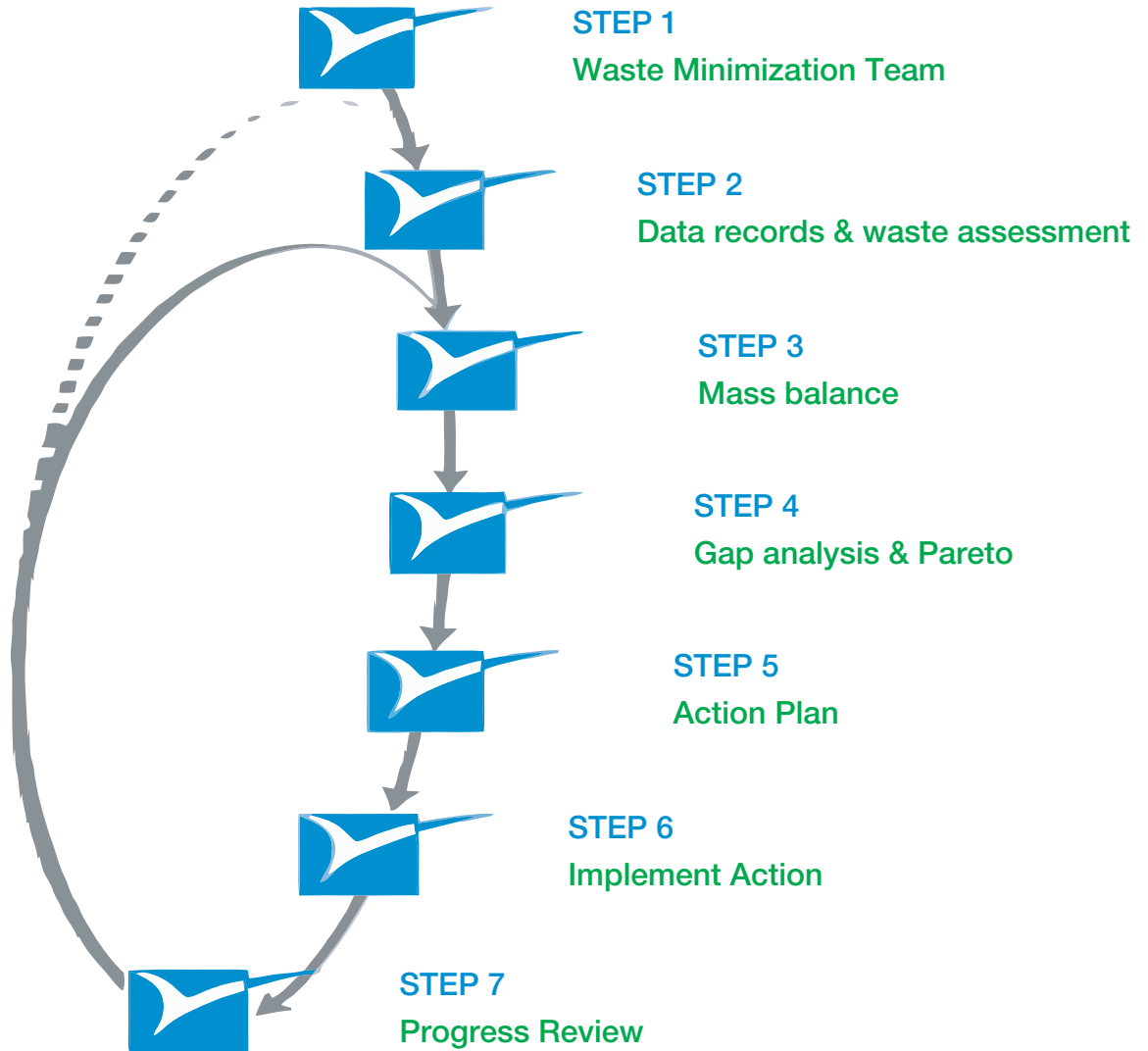
2019 Awarded "Marriott Mindclick Sustainability Leader Award"



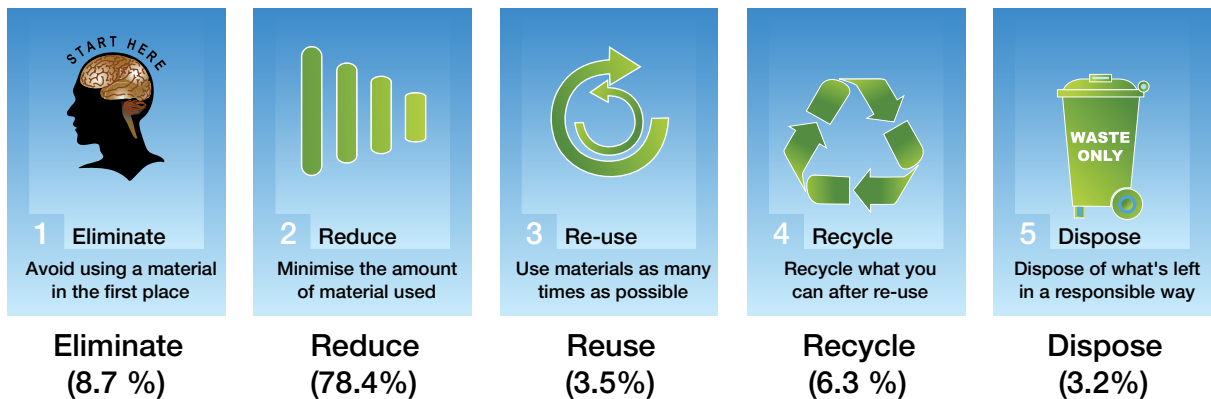
3. RESOURCE & ENERGY CONSERVATION



Waste Minimization



The Hierarchy of Waste Minimization & Cost Saving 2007-2021



The value of waste minimization from 2007-2021 = 104.79 million baht.

Water Conservation

Water Conservation Development Project

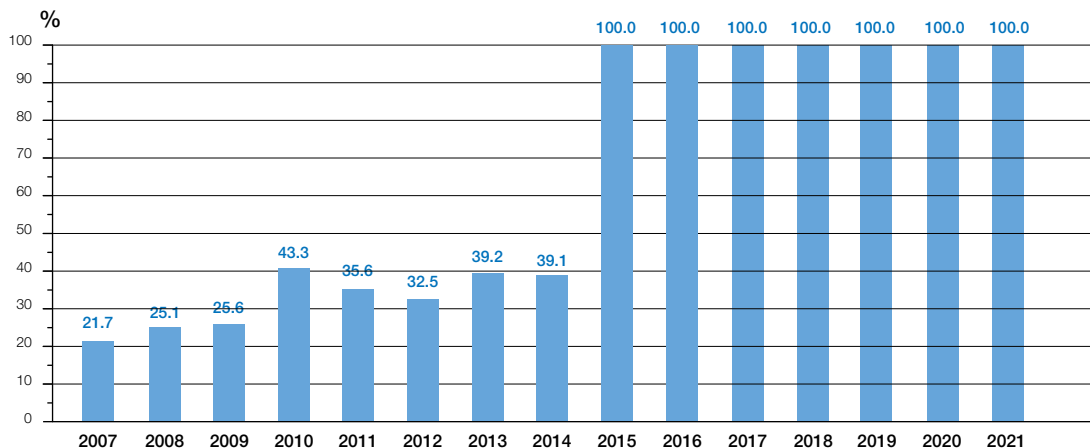
- 2004 > Water Recycle System Phase I (for dyehouse)
- 2005 > Water Recycle System Phase II
- 2006 > Water Conservation Participation Program
- 2007 > Process Water Metering
- 2008 > Improve Water Supply System & Equipment in Toilet
- 2009 > Small Group Activity for Water Conservation
- 2010 > Recycled Water used in Toilet
- 2011 > Water Injection Controlled by Computer
- 2012 > Waste Water Discharge Control
- 2013 > Dyehouse Water, Recycled Water, and Waste Water Control
- 2014-15 > Zero discharge project
- 2016 > Auto Softener System
- 2017 > Ultrasonic for Algae Control
- 2018 > Recycled Water used for Green area
- 2019 > Eco Friendly Dyeing Technology
- 2020 > Improve Water Efficiency
- 2021 > Eco Friendly Dyeing Technology Phase II

Water Efficiency & Conservation Reduction Implementation

- > Water Recycle system Phase I & II



Recycled Water



Average Recycled Water

RESOURCE & ENERGY CONSERVATION - WATER CONSERVATION

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> Installation of Softener System in Recycled Wastewater Treatment Plant and Boiler



> Installation of Dissolved Oxygen meter in Wastewater Treatment Plant and Recycled Wastewater Treatment Plant



> Installation of process water meters



> Water Conservation Participation Program



RESOURCE & ENERGY CONSERVATION - WATER CONSERVATION

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> Improve water supply system & equipment in toilet



> Small Group Activity for Water conservation participation program



> Recycled Water used in toilet



> Installation of Ultrasonic Control System

> Waste Water Leakage Control



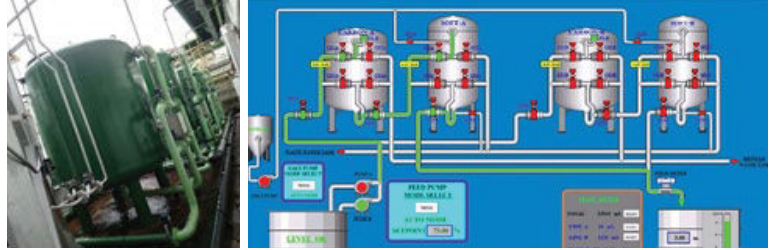
RESOURCE & ENERGY CONSERVATION - WATER CONSERVATION

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> Installation of Reverse Osmosis System



> Auto softener system for boiler to reduce water usage in backwash process



> Eco Friendly Dyeing Technology

We committed to sustainability in products, technology, and the environment. Spray dye technology help on saving water, energy, and chemicals. These machines can be defined as a hybrid combination of features from Hank and Package dyeing machines. The features incorporated in these machines are especially important to overcome the problem related to water usage.

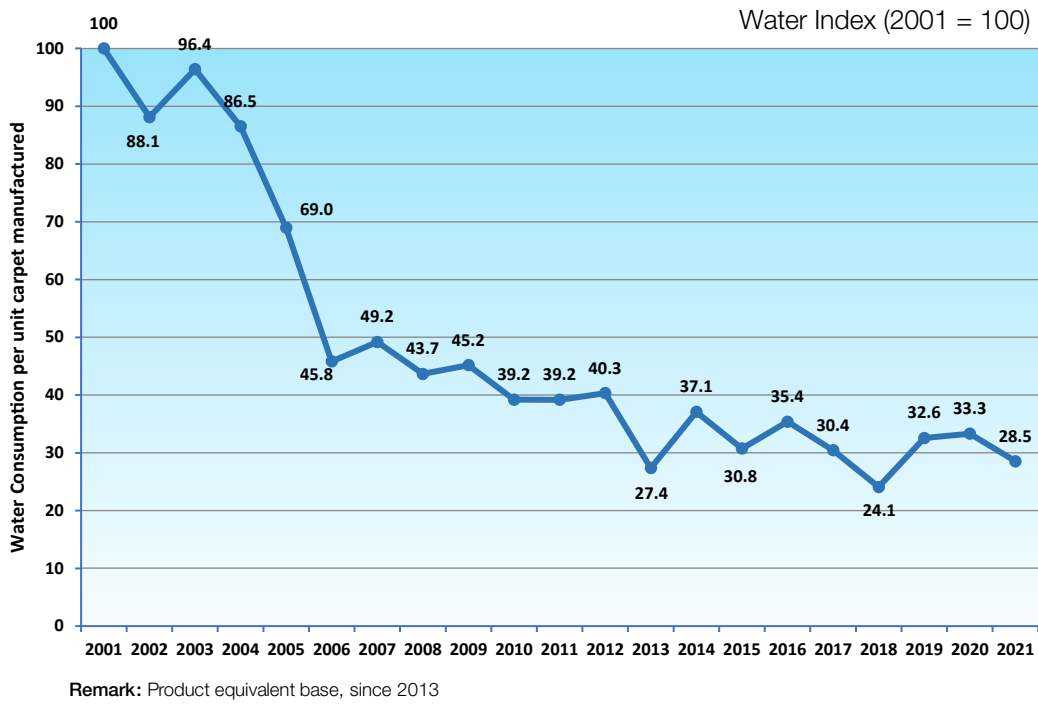


RESOURCE & ENERGY CONSERVATION - WATER CONSERVATION

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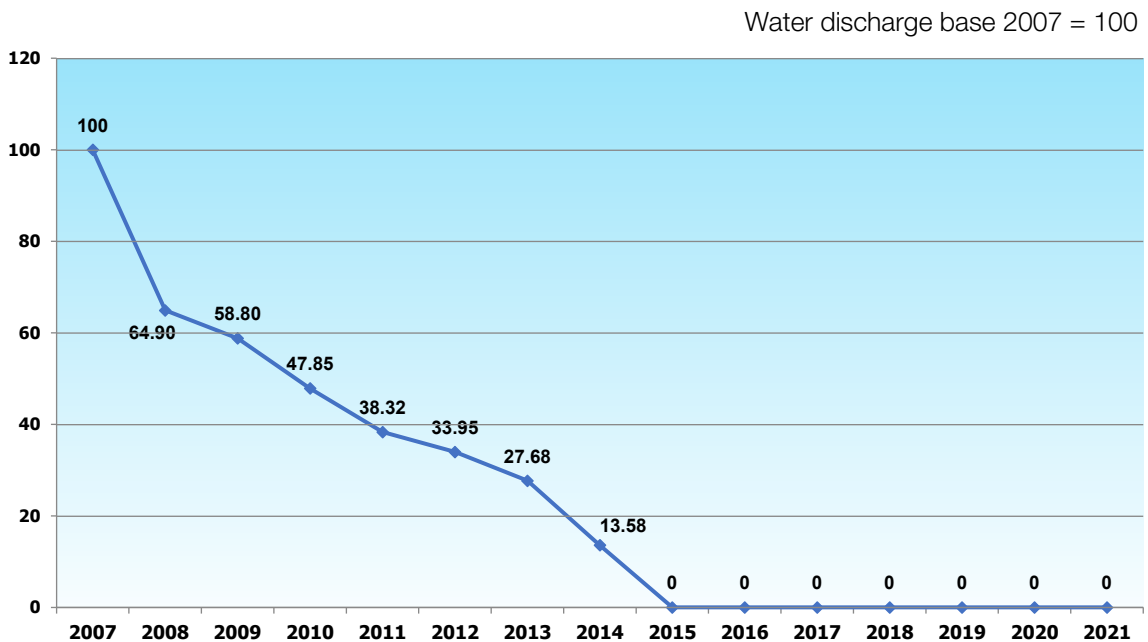
Nowadays, we still continuous in the process of water conservation. It shown as the Graph below, that is steadily decrease from 2001 to 2018.

Water Conservation

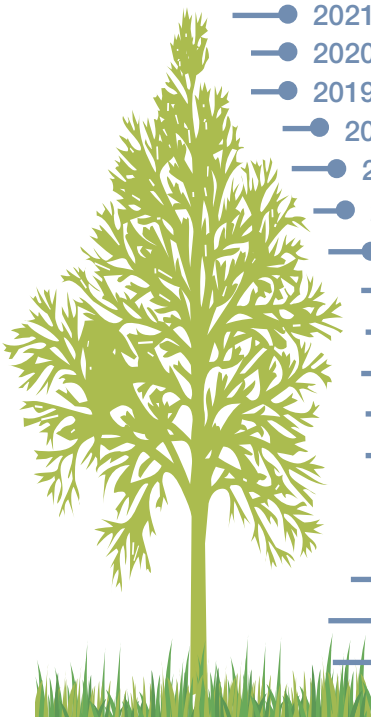


Zero Water Discharge : The recycling of dyeing water was first introduced in 2004 and the zero water discharge goal has been achieved since 2015.

Water Effluent



Energy Efficiency & Conservation

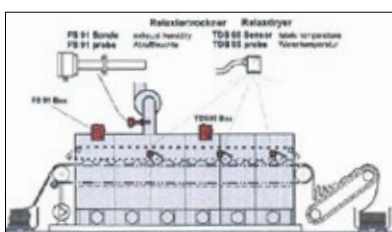
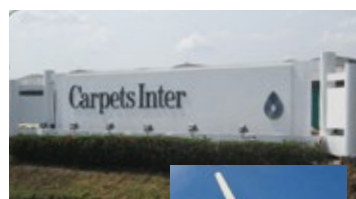
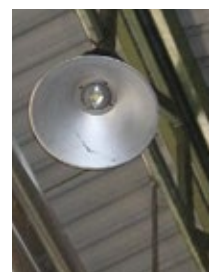


- 2021 - High Efficiency Dyeing Machine
- 2020 - High Efficiency Weaving Machine
- 2019 - Energy Used Control System
- 2018 - LED Lighting Lamp
- 2017 - Air Compressors Control
- 2016 - Exhaust Humidity Control on Dryer
- 2015 - High Efficiency Tufting Tool (Hand Tufting Gun)
- 2014 - Energy Management System Certify (ISO 50001 : 2011)
- 2013 - Implement ISO 50001
- 2012 - High Efficiency Boiler (Duel Fuel)
- 2011 - Alternative & Renewable Energy (Wind & Solar Energy)
- 2010 - Integrated Small Group Activity for Energy Conservation Program
- 2009 - Small Group Activity for Energy Conservation Program
- 2008 - Energy Management System (EMS) Standard
- 2007 - Total Energy Management (TEM)
- 2006 - Energy Conservation Participation Program
- 2003 - Installation of variable speed drive on air compressor
- 2002 - Installation 115/22 kilovolt substation

Energy Efficiency & Conservation Reduction Implementation program

> Electrical Equipment in all services & process:

- Installation 115/22 kV Substation
- DO meter in Waste Water Treatment Plant
- Higher efficiency in fluorescent lamps
- Radio Frequency Dryer
- Solar powered light systems
- Hybrid renewable energy (Wind Turbine and Solar energy)
- Replaced Lamp to LED at Certificate Board and Corporate Signage
- Exhaust humidity control on dryer
- Replaced Lamp with LED



RESOURCE & ENERGY CONSERVATION - ENERGY CONSERVATION

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> Air compressors:

- Leakages monitoring
- Reduction in working pressures
- Reduction in number
- VSD control for efficiency improvement
- Of all compressors
- Higher efficiency compressors
- Air Compressor replacement to High efficiency
- Select the first use high efficiency air compressor



> Air conditioning & chillers:

- Reduction of energy loss in Air conditioning system
- Eliminate chiller use in the hand tufted area.
- Higher efficiency air conditioners
- Use the air conditioner does not impact on the environment



> Steam boilers:

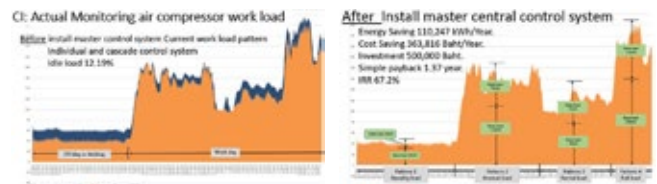
- Boiler replacement for increase efficiency by Combustion control economizer blow down heat Recovery water injection and EMS.
- Maintenance improvement
- Reduced steam working pressures
- Insulation improvement of steam pipes & equipment
- Steam & condensate recovery
- Combustion efficiency control
- Higher efficiency boilers
- Water injection for increase combustion efficiency



> Exhaust humidity control on dryer:



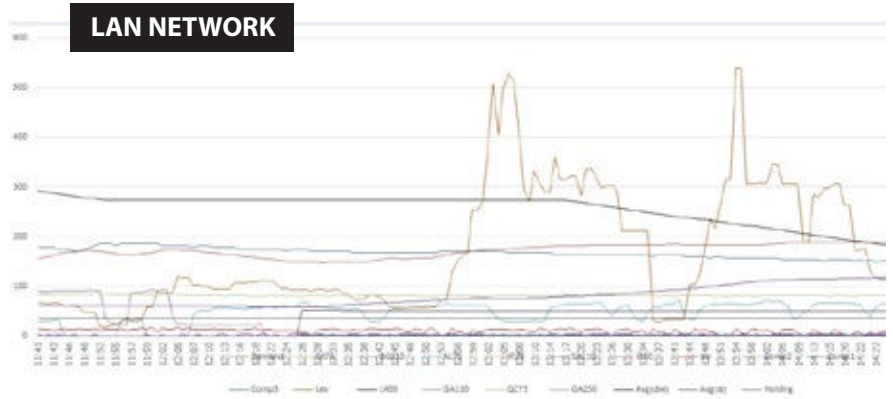
> Energy conservation controller for air compressors:



Master central control & Network

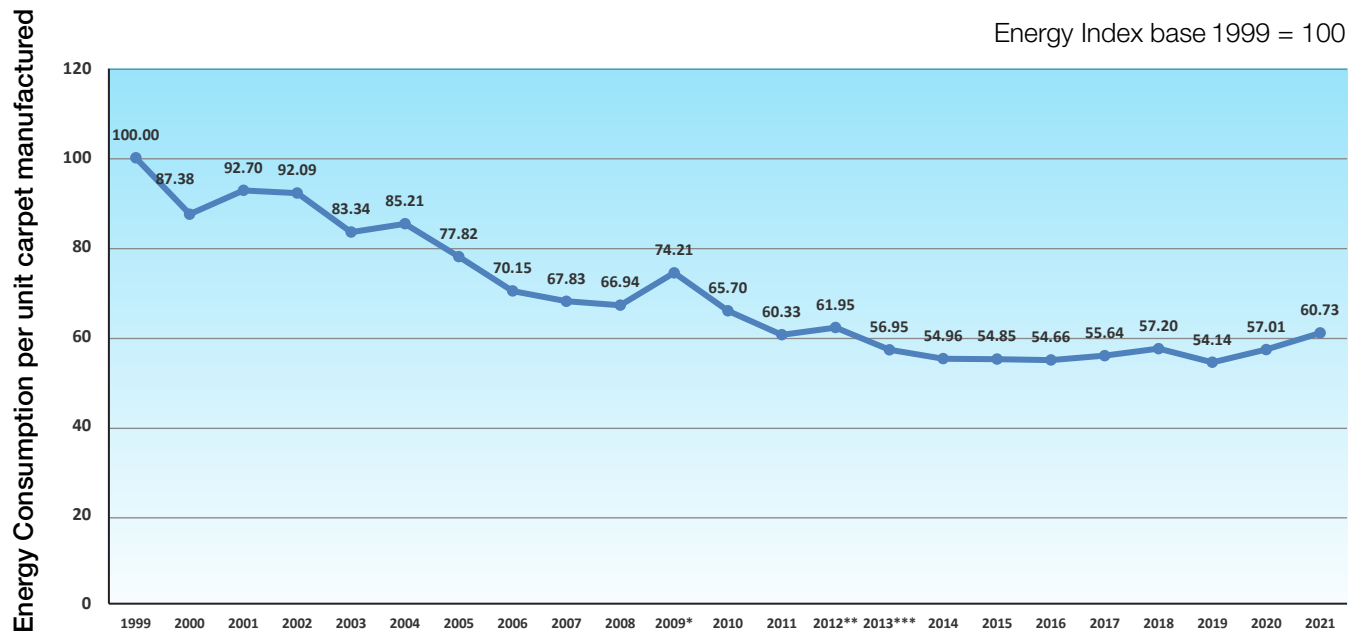


> Energy used control system:



From all project that is related with improvement energy efficiency and energy conservation, it make the energy consumption decreases when calculate per unit of carpet manufactured. The result of it is shown in the graph below.

Energy Conservation



* Product mix change resulting from economic recession
 ** Jan - May 2012 No production, Factory repair and recovery from flood 2011
 *** Equivalent Product Base Reference since 2013



4. ENVIRONMENTAL IMPACTS



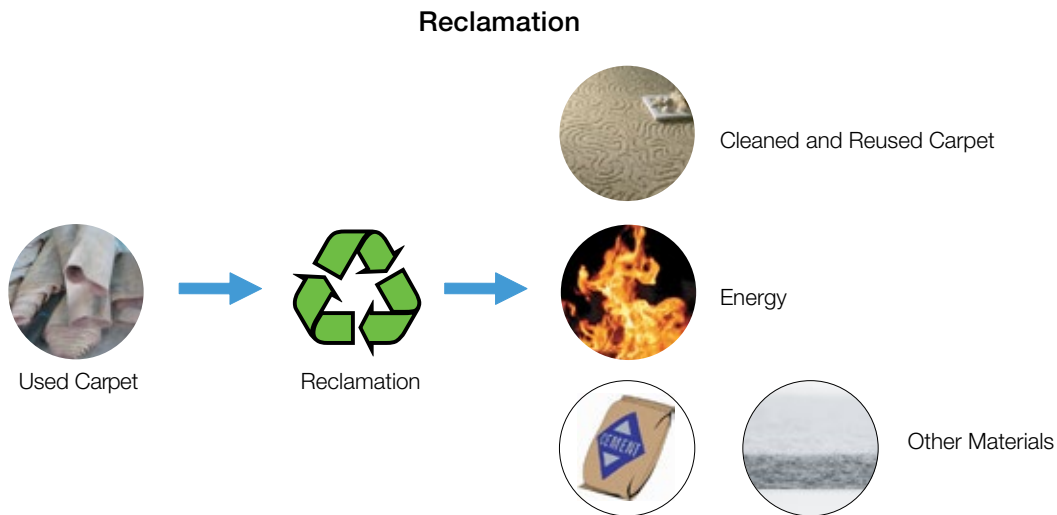
Reclamation Program

The main objective of the Reclamation Program is to ensure that we minimize the impact of end of life cycle carpet on the environment and human health and safety.

We continuously strive to develop better-performing and longer-lasting products to extend the life of our carpets however when a carpet reaches the end of its useful life, we encourage our customers and the waste contractors or recyclers to dispose of the used carpets in an environmental friendly way such that landfill is avoided or minimized.

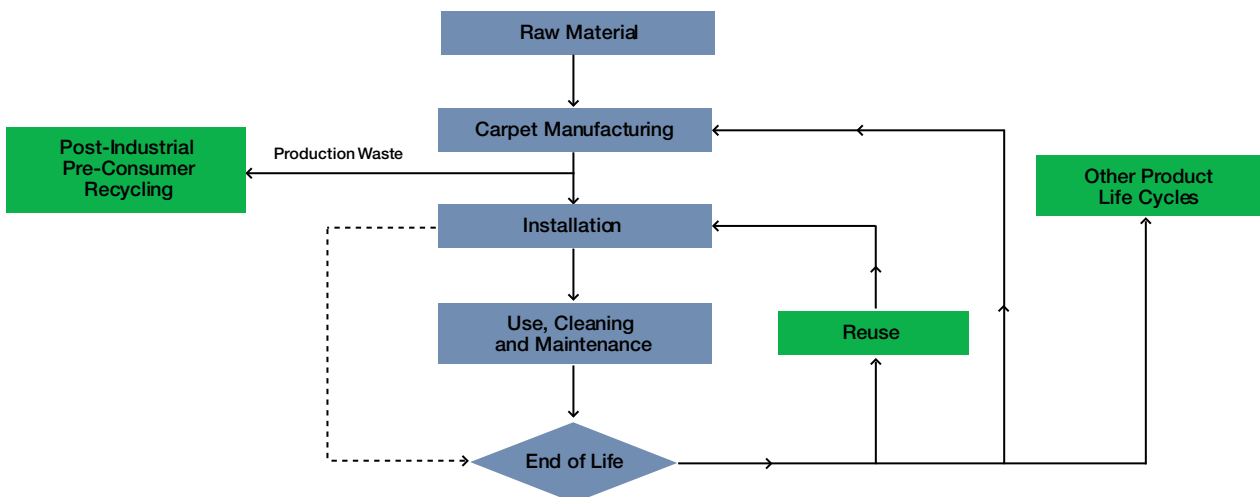
For our domestic market, the carpet that has reached the end of its useful life and returned to us will be properly processed according to our reclamation programs which include:

- Reconditioning for reuse e.g. charitable reuse
- Recycling into energy and cement at the cement kiln



For further detail, please contact us at info@carpetsinter.com

Carpet Reclamation Program

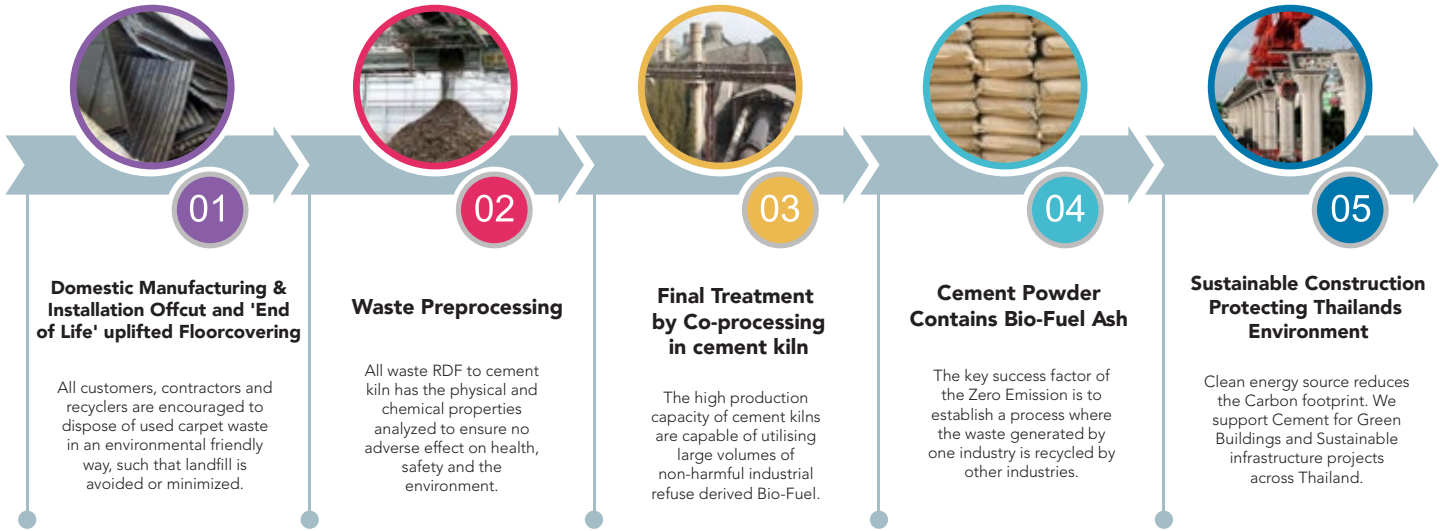


ENVIRONMENTAL IMPACTS - LANDFILL & AIR EMISSION

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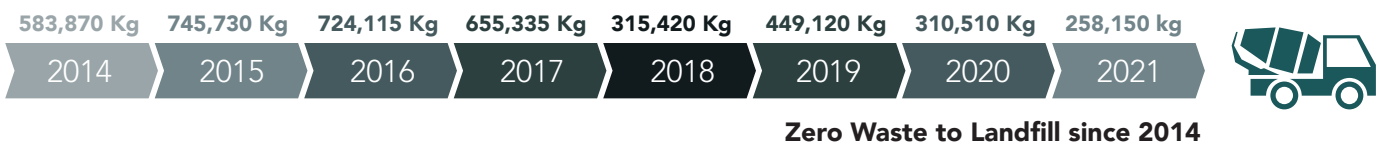


A KEY SOLUTION TO ACHIEVE ZERO LANDFILL



Our affiliation contributes towards building Thailand's municipal infrastructure, such as the Bangkok Sky Train, ensuring we indirectly contribute to clean transport by considerably reducing the number of private vehicles on Thailand's congested roads and subsequent CO₂ emissions polluting our environment.

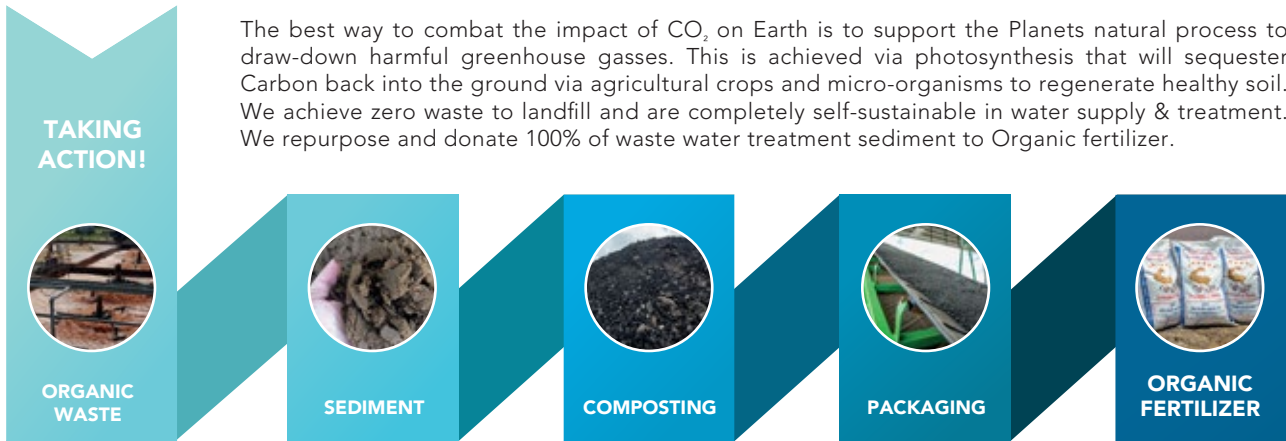
Carpet Reclamation Program



A KEY SOLUTION TO CLIMATE CHANGE



THE REGENERATIVE POWER OF SOIL



The best way to combat the impact of CO₂ on Earth is to support the Planet's natural process to draw-down harmful greenhouse gasses. This is achieved via photosynthesis that will sequester Carbon back into the ground via agricultural crops and micro-organisms to regenerate healthy soil. We achieve zero waste to landfill and are completely self-sustainable in water supply & treatment. We repurpose and donate 100% of waste water treatment sediment to Organic fertilizer.

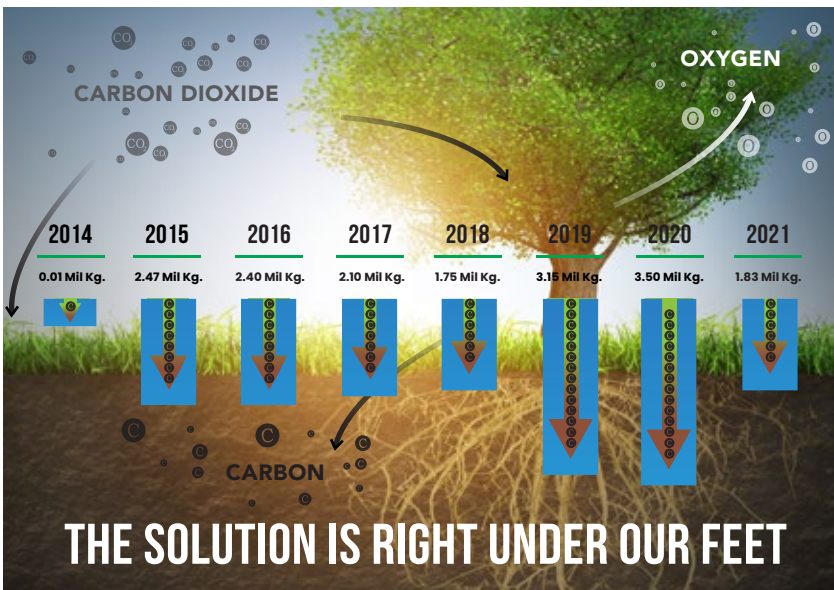
Industrial Farming's use of harmful pesticides causes desertification, which can lead to: -

- Political conflict
- Catastrophic flooding from rain-fall run-off
- Mass migration and poverty.

By 2050, it's estimated 1 billion people will become ecological refugees as a result of Agricultural land desertification.

Since 2014, we have contributed to produce 17.2 Mil. Kg of Organic fertilizer to farming 5,876 acres of Thailand's Cropland each year.

- 1% more Organic material per acre in our soil = 10 Tons more Carbon draw down per year.
- Soil based microorganisms naturally sequester carbon into the soil
- Healthier soil means healthier plants, healthier plants mean healthier food, healthier food means healthier humans.
- Carbon in our soil acts as a natural water-filter: it captures unwanted heavy metals and toxins from harming our drinking water.
- Organic farming naturally sequesters CO₂ from the atmosphere, reducing global warming and desertification.



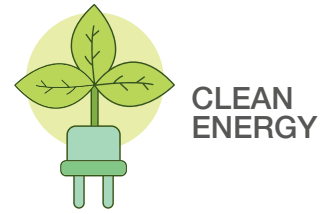
Pineapple Farm



Sugarcane Farm



Cassava Farm



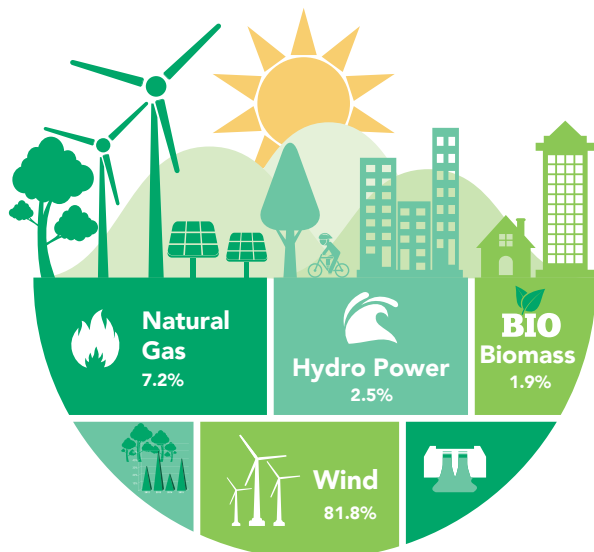
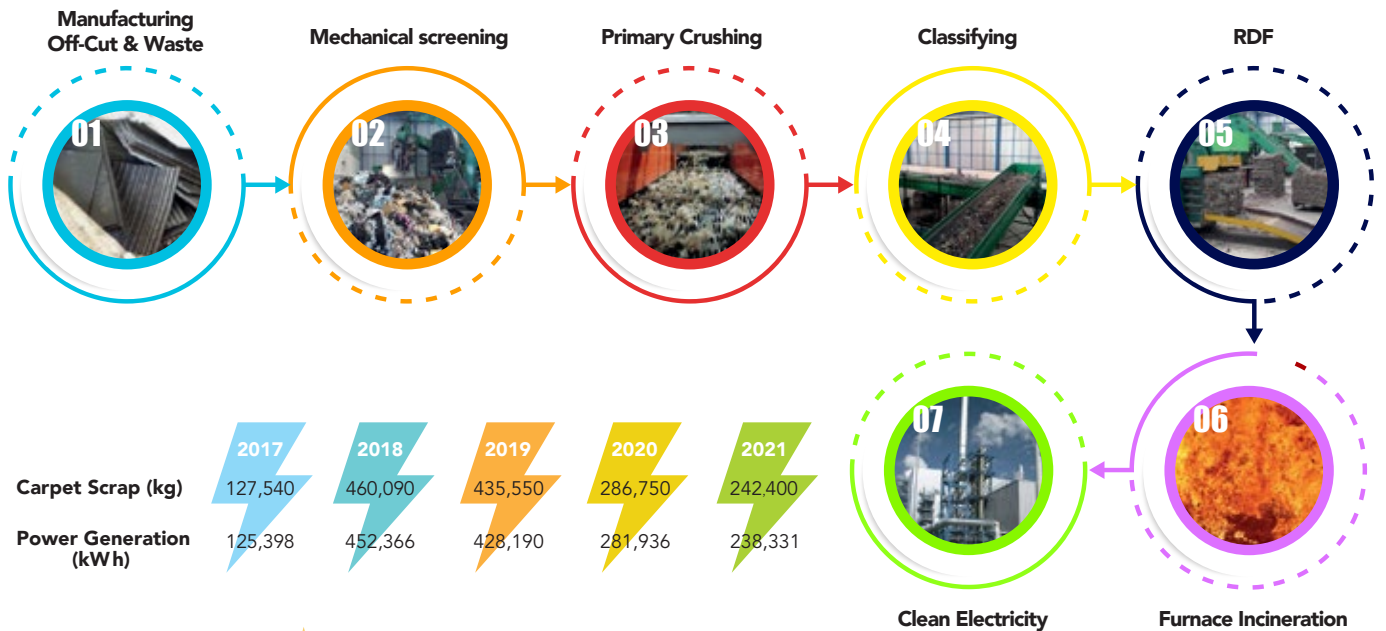
CLEAN ENERGY

A KEY SOLUTION TO CLEAN ENERGY

Over 90% of Energy consumed to manufacture EcoSoft® is derived from positive clean Energy sources!

Global Energy demand for Electric Power is projected to rise considerably in the future. Diminishing fossil fuels predominantly used for producing power continue to pollute the environment with harmful greenhouse gas emissions. Purchasing carbon credits to offset this pollution is not only reactive but also expensive, therefore Power Plants are being governed to seek alternative fuel sources, such as bio-fuel or refuse derived fuel (RDF) from municipal solid waste.

Since 2014 as part of Carpets Inters cradle to grave mission, we have donated all manufacturing 'off-cut' waste to be used as RDF by local Thailand Power Plants to generate positive clean energy.



Solar Roof - Thailand Factory



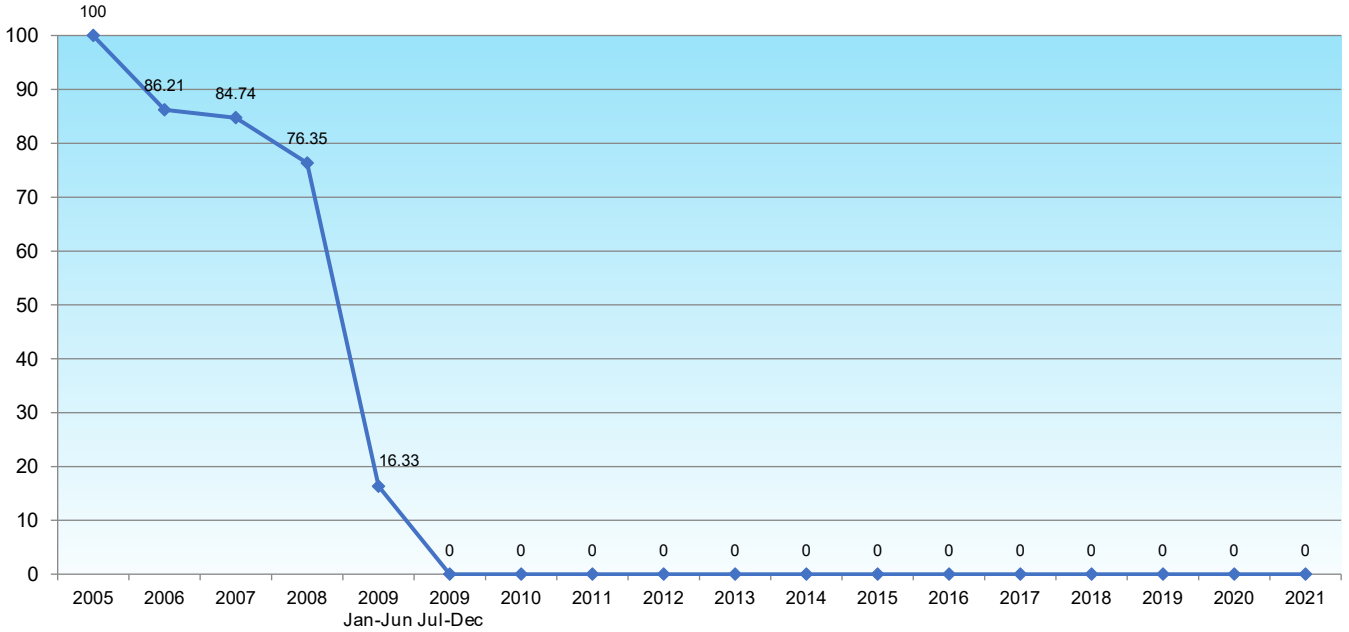
EcoSoft®

Over 90% Clean Energy Consumption

Clean energy is energy that comes from renewable, zero emission sources that do not pollute the atmosphere when used, as well as energy saved by energy efficiency measures. Clean energy is 100% pollution-free.

Landfill Reduction

2005 = 100

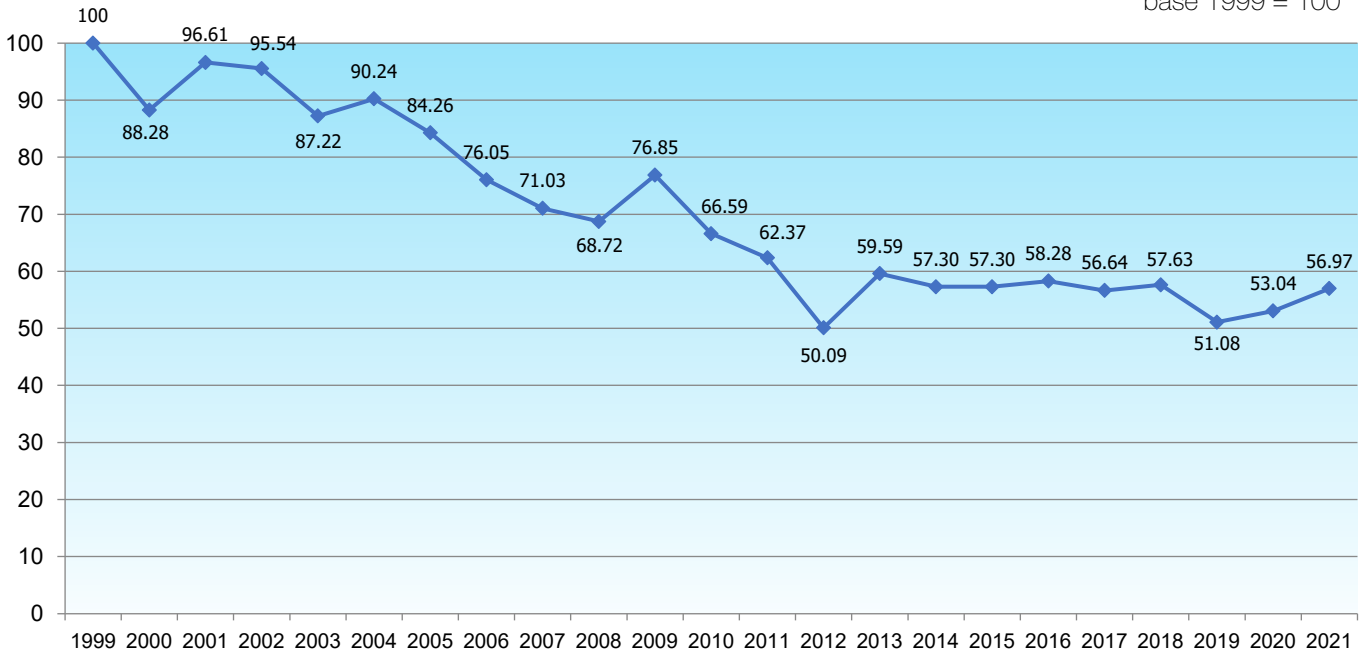


Remark: Zero process waste to landfill since July 2009

Air Emissions

CO₂ Greenhouse Gas

base 1999 = 100



Remark: CO₂ GHG index was converted from Electricity, Fuel Oil and LPG Gas
2013-2014 Equivalent Product Base Reference

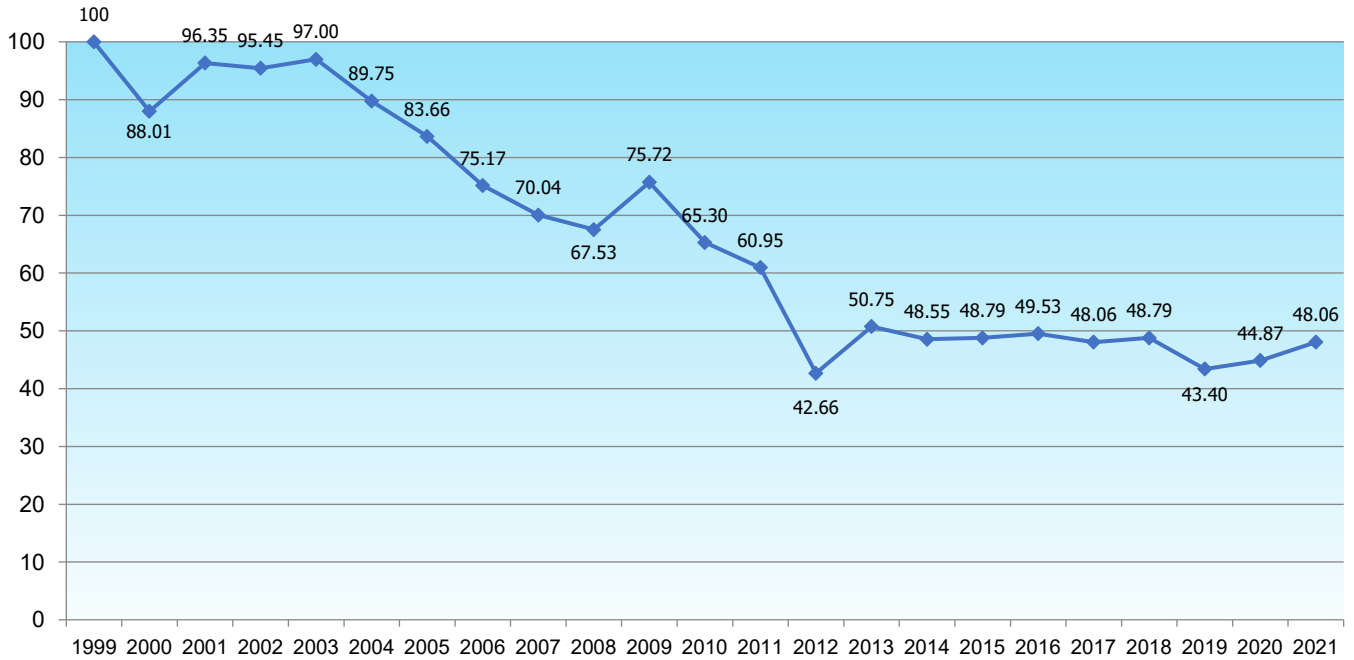
ENVIRONMENTAL IMPACTS - LANDFILL & AIR EMISSION

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Air Emissions

SO_x Emission Index

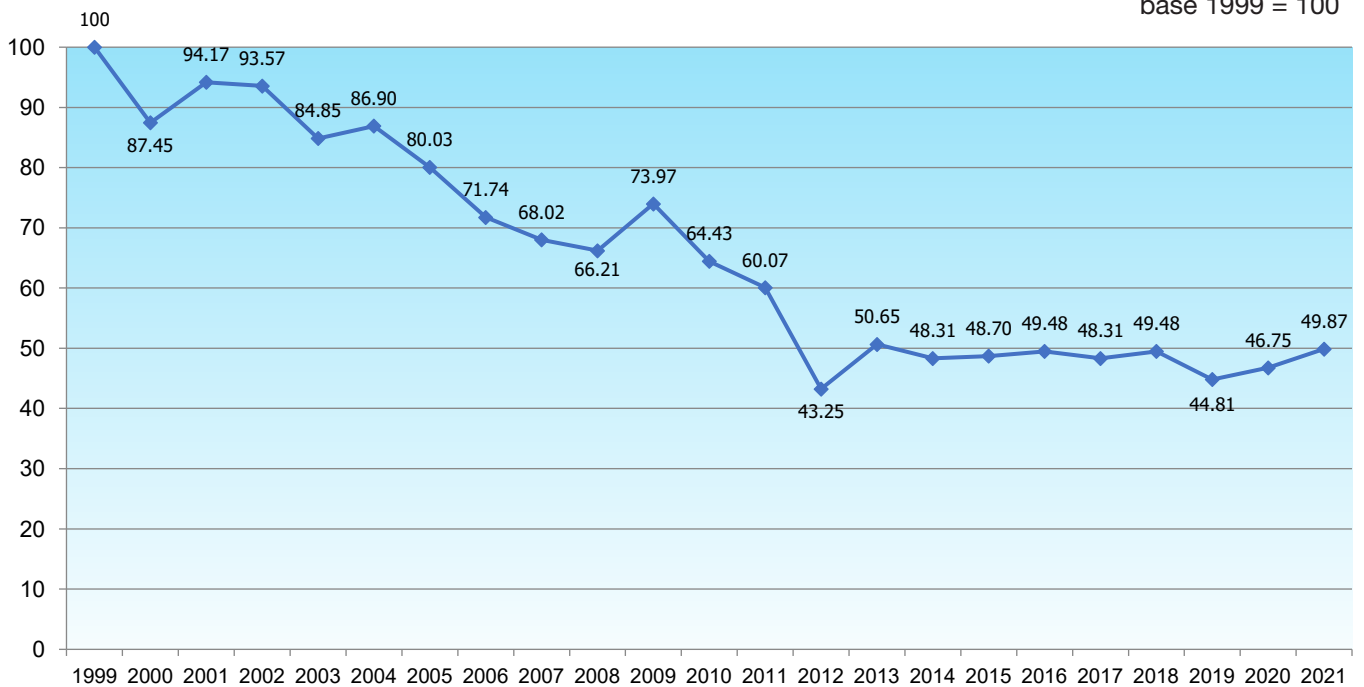
base 1999 = 100



Remark: SO_x emission index was converted from Electricity, Fuel Oil and LPG Gas
2013-2014 Equivalent Product Base Reference

NO_x Emission Index

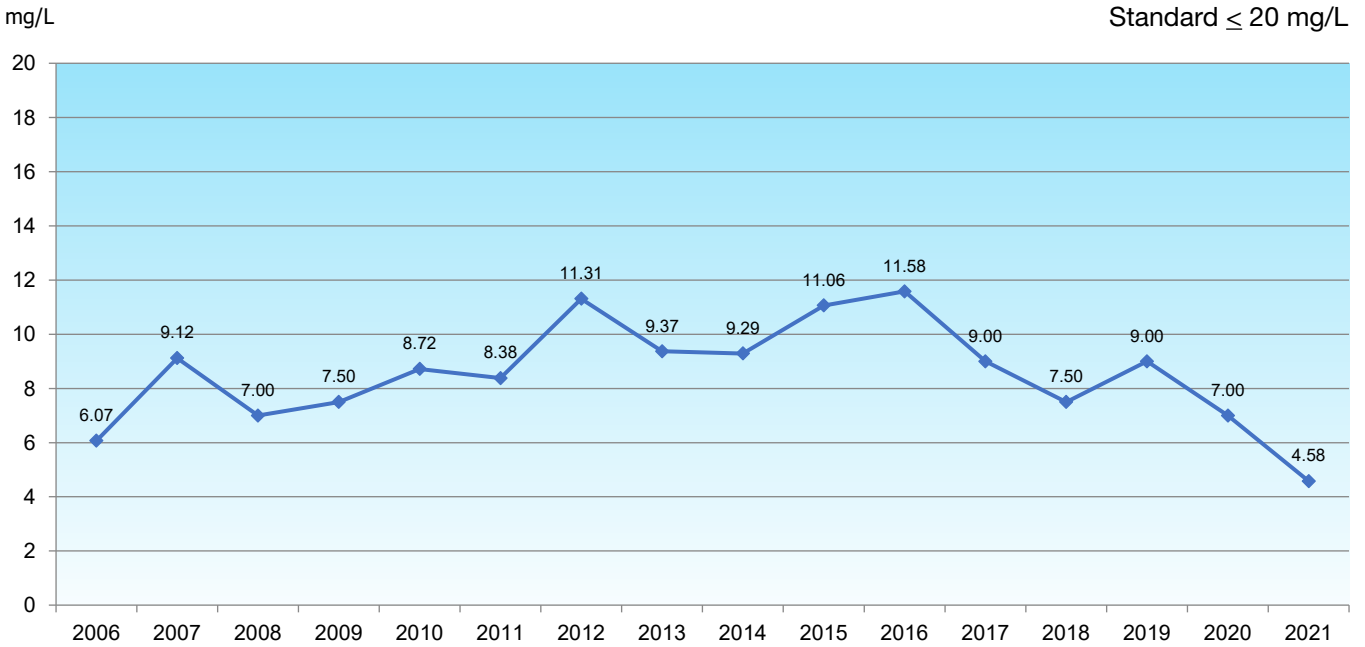
base 1999 = 100



Remark: NO_x emission index was converted from Electricity, Fuel Oil and LPG Gas
2013-2014 Equivalent Product Base Reference

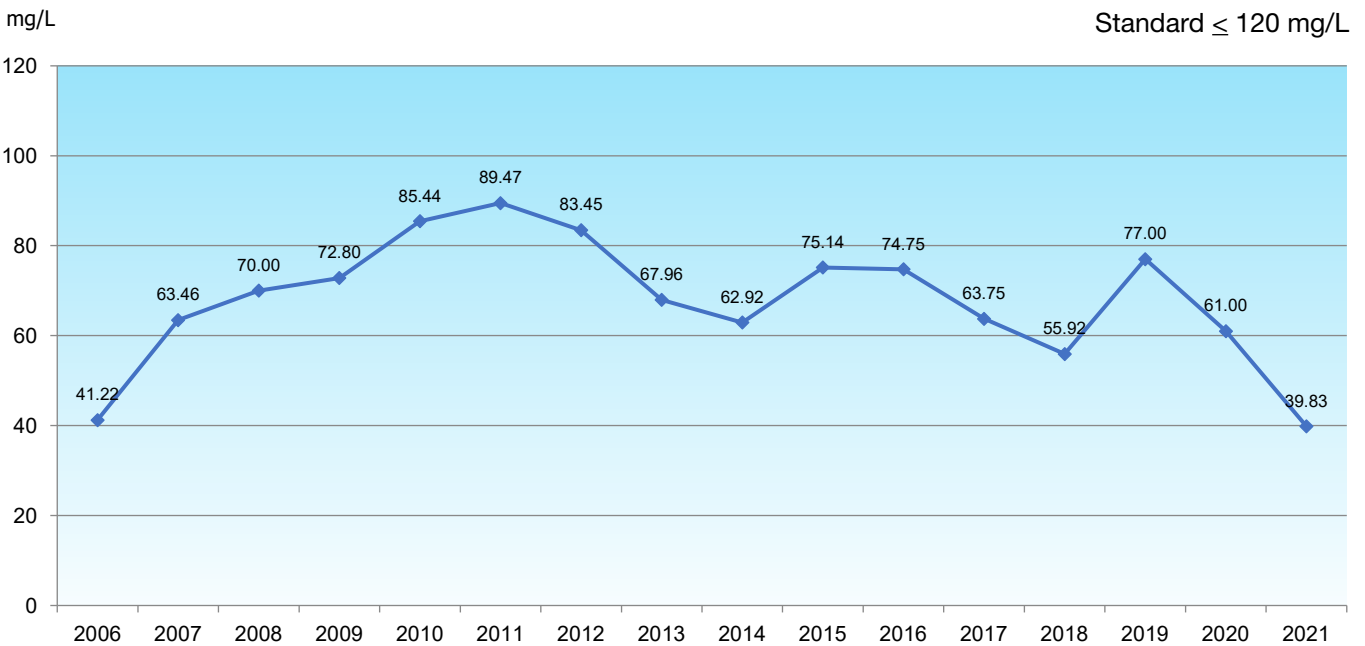
Water Effluents

Biochemical Oxygen Demand (BOD)



Remark: BOD is the amount of dissolved oxygen needed by biological organisms in water to break down organic material present.

Chemical Oxygen Demand (COD)



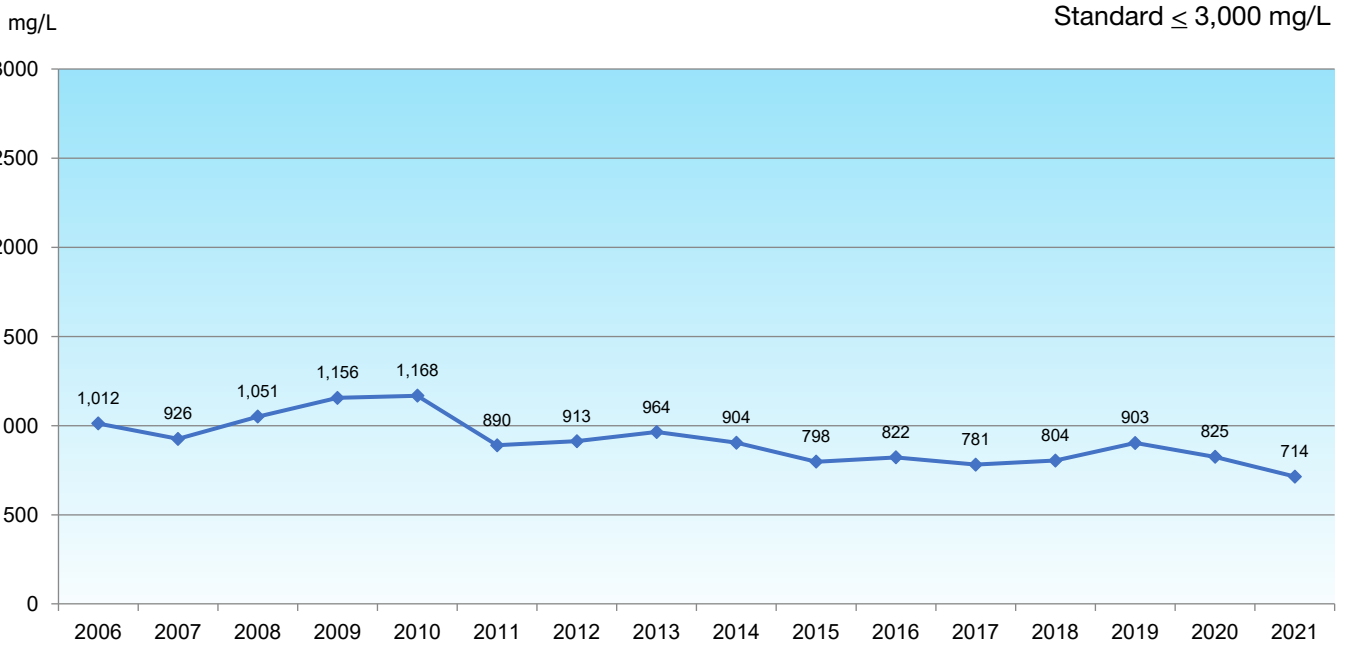
Remark: COD is used to indirectly measure the amount of organic compounds in water.

ENVIRONMENTAL IMPACTS - WATER EFFLUENTS

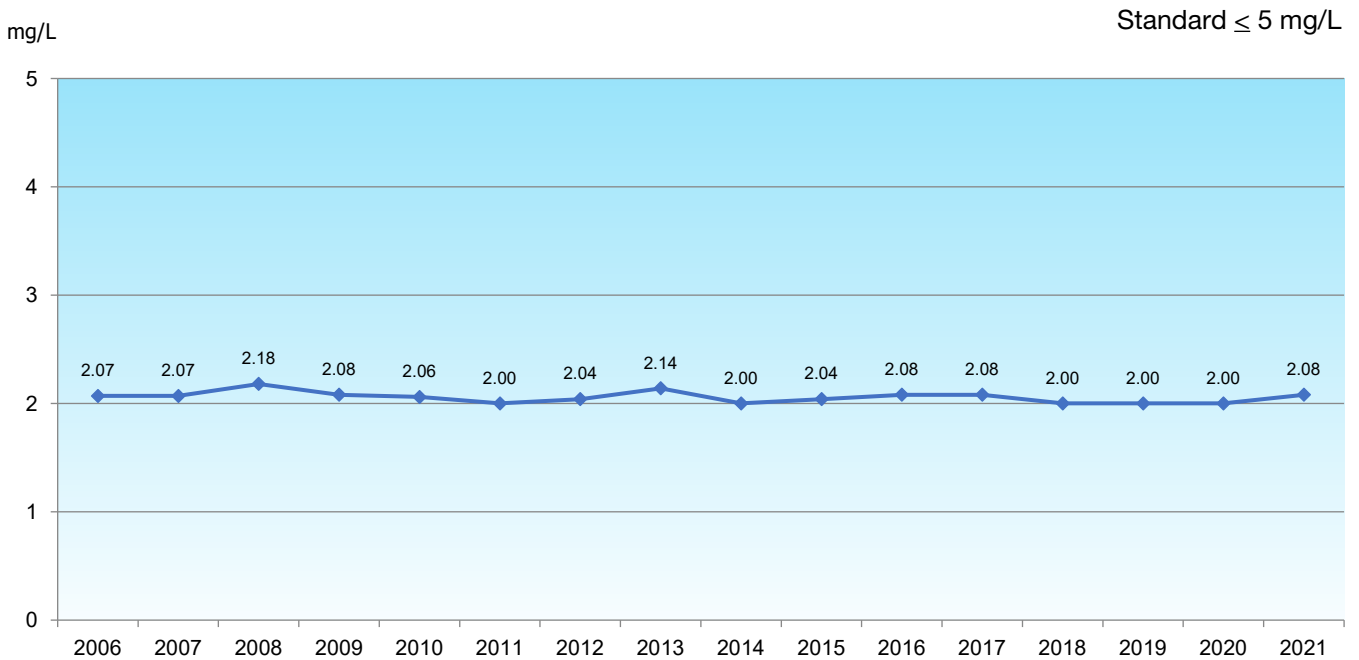
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Water Effluents

Total Dissolved Solid (TDS)



Greases & Oil





5. SOCIAL RESPONSIBILITY



SOCIAL RESPONSIBILITY - CUSTOMERS & END USERS

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At Carpets Inter, we make high-quality carpet products to enhance people's lives. This commitment goes beyond providing a product that is safe, comfortable, and well designed. It extends to fostering humane, safe, and ethical workplace conditions in every facet of our multinational business, while promoting those same values – and a greater commitment to social awareness – wherever our brand is present. We base this promise on the underlying principle that the truest value of a company should be judged not only by its product or its profit, but ultimately, by its social benefit to people.

We aim higher. We work to be a better company. This endeavor has its foundation in the manufacturing of carpet products that are well designed, durable, and comfortable underfoot; and is sustained through shared values of environmental responsibility, social accountability, and economic fairness that make a positive impact wherever our products are sold or used throughout the world. We are, above all, a multinational company with a multicultural commitment to good global citizenship.

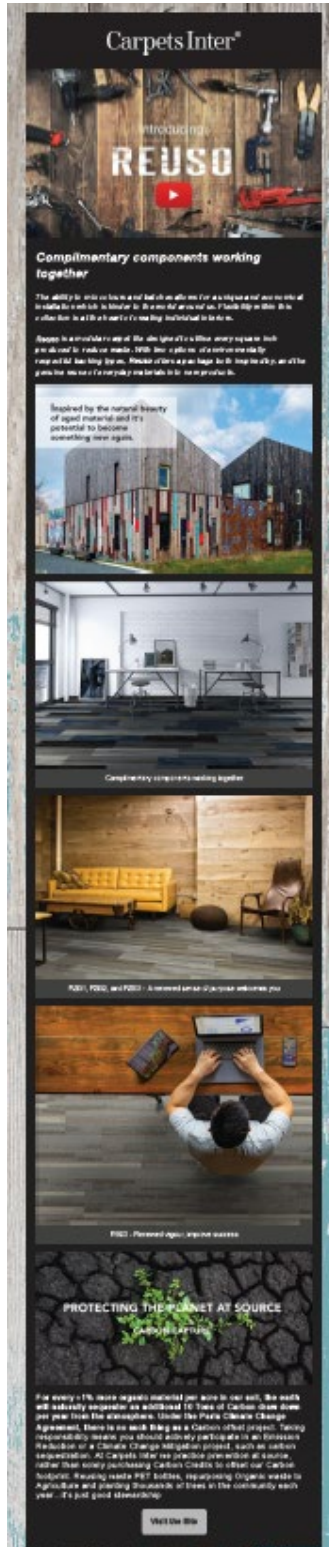
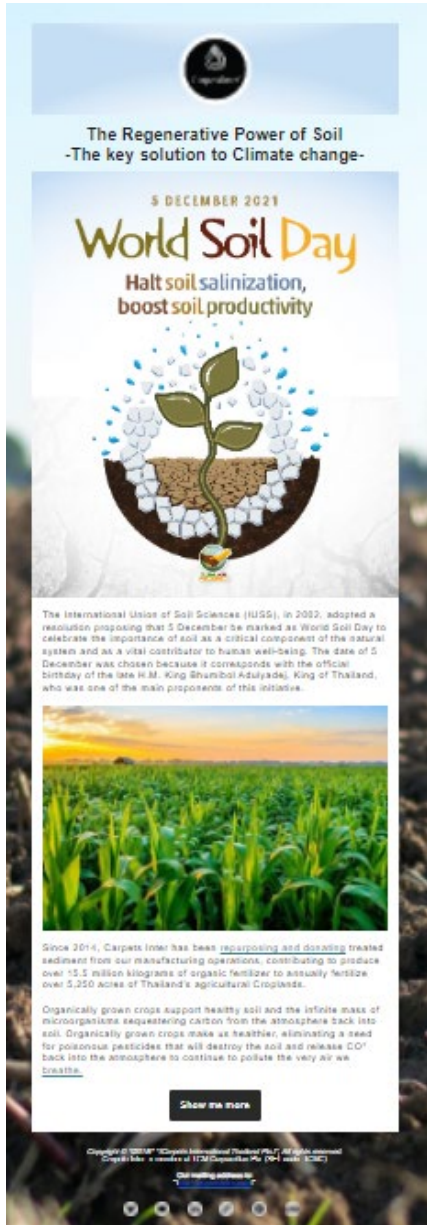


SOCIAL RESPONSIBILITY - CUSTOMERS & END USERS

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Product & Service Performance

> The electronic newsletters are created and released regularly in order to communicate the company activities to customers such as new product launch, event & exhibition, promotion news, CSR activities etc.



> Different markets will have different values which need to be reflected in our marketing. We are stepping up to be a global brand which elevates our status and improves our reputation. For this reason, localizing our website based on the country/region will help to reach our customers better and develop more relationships. The language selection button is located on the bottom right of the page.



SOCIAL RESPONSIBILITY - CUSTOMERS & END USERS

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> Shooting of New Collection! Images are a key part of a customer's decision-making process. Quality images help to improve the speed of trust, quality and value. It's the best first impression. We have recently worked in the shooting studio for a good photography to support the new collection launch.. We're stepping up our design, visuals and marketing!



> The new collection "REUSO" a modular carpet tile designed to utilise every square inch produced to reduce waste. With two options of environmentally respectful backing types, Reuso offers a package both inspired by, and the genuine reuse of everyday materials into new products.

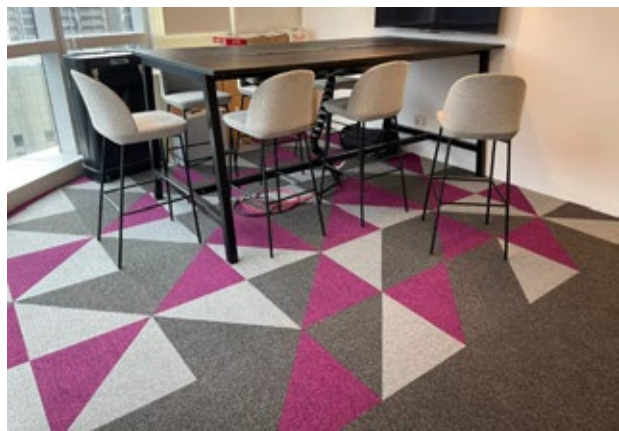
The ability to mix colours and batches allows for a unique and economical installation which is kinder to the world around us. Flexibility within this collection is at the heart of creating individual interiors.



SOCIAL RESPONSIBILITY - CUSTOMERS & END USERS

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> Carpets Inter's innovative cutting technique allows carpet cut inserts for demarcating transitions, signage, or navigation for better safety and function. Clients can customize their floor using modified tile shapes and sizes, thus adding another layer of creativity and/or functionality to the floor layout.



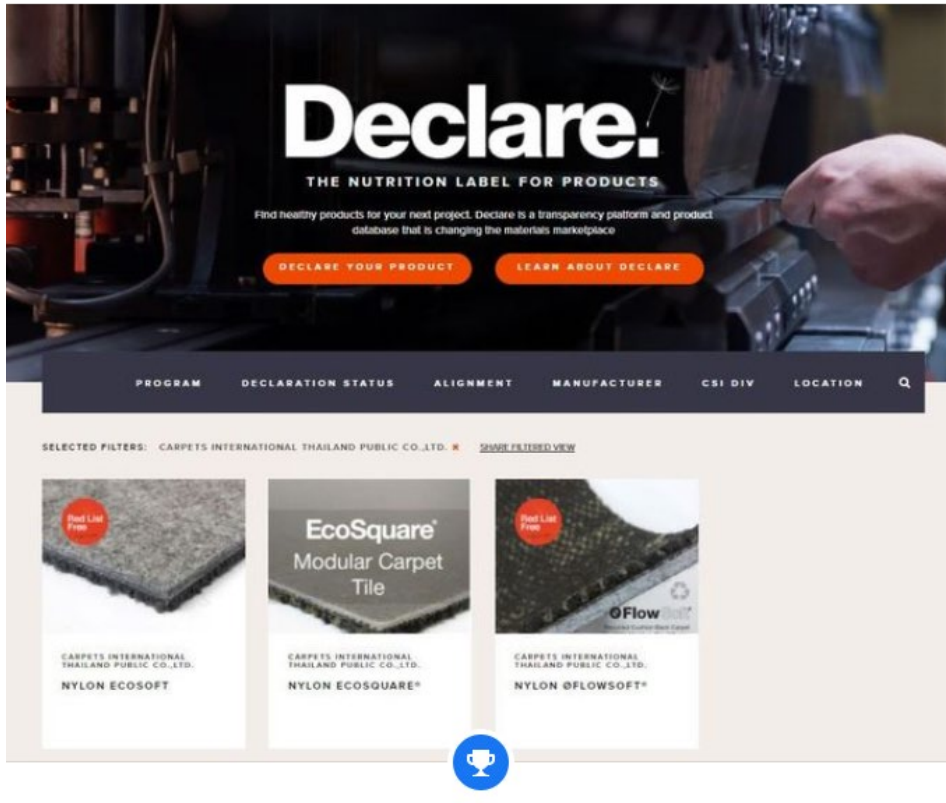
> Carpets Inter, providing healthier flooring solutions - ØFlowSoft® has a uniquely engineered 'one of a kind' recycled PET bottle cushion backing with an integral 100% thermoplastic moisture-proof barrier system.

Built in Sanitized® antimicrobial technology prevents bacteria and most viral contaminants. Accidental spillages remain on the surface where they can be readily treated & easily removed.



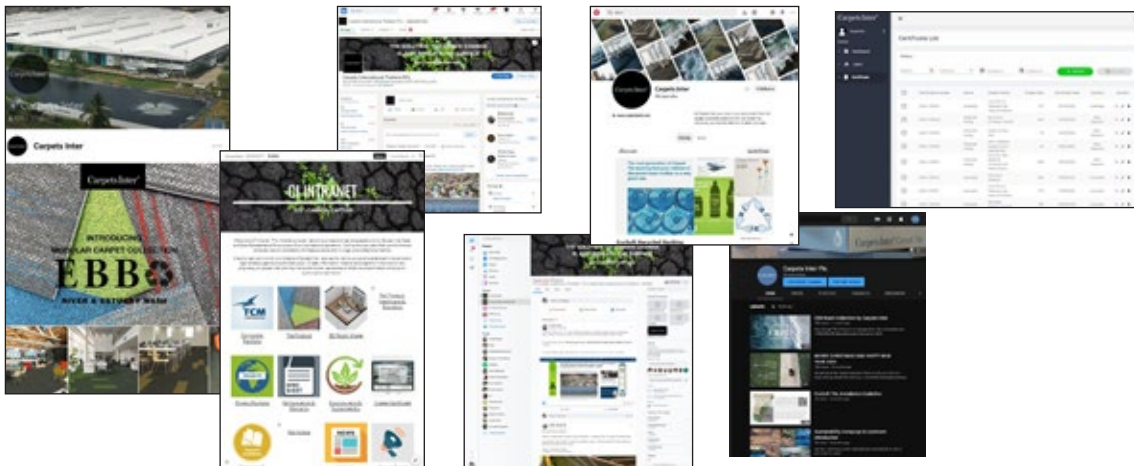
New Achievement

Our Nylon EcoSquare® carpet tile and ØFlowSoft® product have recently received the award under the International Living Future Institute (ILFI) Declare Label program. RED LIST FREE is important achievement that clearly differentiates us as a manufacturer with an outstanding non-PVC content backing option (containing recycled content).



Social Media Channels

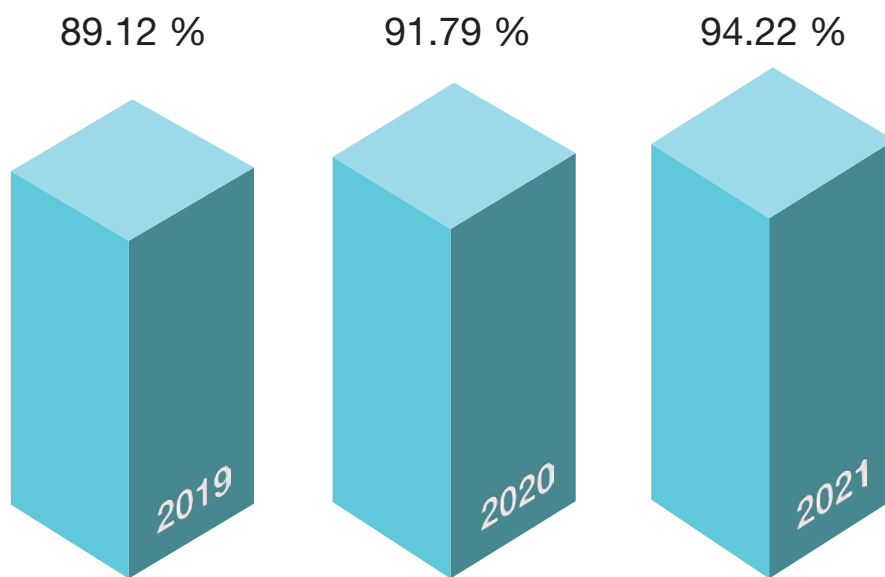
Our social medias are set up in many platforms to facilitate the creation and sharing of information, ideas, career interests and other forms of expression via virtual communities and networks.



Customer Satisfaction Evaluation

Customer satisfaction surveys allow us to improve products strategically, optimize customer's experience, and deliver exactly what the market demands. The customers' opinions and feedback are one of the most essential components for the sustainability and growth of our business and are considered important throughout the customer lifecycle.

Process of measuring customer satisfaction has been conducted monthly to evaluate our product and service performance. The satisfaction scores are continually measured in terms of product, service, and installation performance.



Procurement of Green Materials

In the present Global Business Environment, success relies on Sustainable Development based on the emphasis of Resource Conservation & Environment Protection whereby responsible manufacturers must give importance to when supplying products & services to their customers and end users.

Carpets Inter is committed to systematically operate with responsible care in Resource Conservation & Environmental Protection adhering to Environmental rules & regulations throughout our supply chain.

To minimize the environmental burden caused throughout our product life cycle, Carpets Inter gives importance to Material Procurement which are environmentally friendly hence we would ask our suppliers & contractors to follow the same policies & practices.

Purchasing Policy

Carpets International Thailand Public Company Limited procures materials, equipment and parts, and services in many scales and scopes from all over the world. These are items namely various fibers and yarns, chemical products such as plastic chips, latexes and auxiliary chemicals as well as other raw materials, packaging and installation services. We also buy textile machineries, items for manufacturing, and parts as well as material handling equipment.

Our purchasing policy is as follows:

1. Comply with laws & regulations as well as industry standards governing our products and operations.
2. Maintain highest level of ethics in purchasing, dealing with our suppliers on a transparent and uniform basis.
3. Require our suppliers to provide consistent quality products at the best prices, in a timely manner.
4. Give importance in procurement which results in low environment impacts from our suppliers. This is to minimize the environmental burdens caused throughout our product life cycle such that the principles of 3R practices (Reduce, Reuse, and Recycle) are promoted in all processes.
5. Promote social responsibility and comply with health and safety standards across our whole supply chain

SOCIAL RESPONSIBILITY - SUPPLIERS

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No.	List	Human and Environmental Impact
1	Polyamide 6 Chips	> Do not intentionally contain any of the 15 chemical substances or Substance of Very High Concern [SVHC] that are listed in Registry of Intentions being harmful to human being and environment.
2	Wool Fiber / Natural Fiber	<p>> Terrestrial Animal Health Code. Chapter 8.5 'Foot and Mouth Disease (FMD). Sub-article 8.5.35' Procedure for the inactivation of the FMD virus in wool and hair.</p> <p>> Has been inspected and satisfies the requirements of the Global Organic Textile Standards (GOTS).</p> <p>> Oeko - Tex Standard 100 certified.</p> <p>** Oeko-Tex Standard 100 is a globally uniform testing and certification system for textile raw materials, intermediate and end products at all stages of production. The tests for harmful substances comprise substances which are prohibited or regulated by law, chemical which are included as precautionary measure to safeguard health.</p>
3	Natural Yarn	> Oeko - Tex Standard 100 certified
4	Polyamide Fide	> Oeko - Tex Standard 100 certified
5	Polyester Fiber	<p>> 100% from post-industrial content of which (1) source reducing (2) waste disposal from production.</p> <p>> Oeko - Tex Standard 100 certified</p>
6	Non-woven Polyester Fabric	<p>> 85% recycle materials</p> <p>> No hazardous chemical substances; that is, Mercury, Lead, Chromium, Cadmium</p> <p>> No PBT - Persistent, Bio-accumulative, and toxic chemical</p>
7	PVC	> Comply with The Best Practice Guidelines for PVC in the Built Environment for the manufacture of PVC (Green Star).
8	Synthetic Yarn	<p>> Comply with REACH</p> <p>** REACH is a regulation of the European Union, adopted to improve the protection of human health and the environment from the risks that can be posed by chemicals, while enhancing the competitiveness of the EU chemicals industry. It also promotes alternative methods for the hazard assessment of substances in order to reduce the number of tests on animals.</p>
9	Synthetic Fiber	> Oeko - Tex Standard 100 certified.

SOCIAL RESPONSIBILITY - SUPPLIERS
















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No.	List	Human and Environmental Impact
10	Electronic & Factory Equipment	<p>> The refrigerant for AC systems are "Zero" ODP (Ozone Depletion Potential).</p> <p>> The insulation meets requirement of Environmental Health Service in Western Australia.</p>
11	General Supplies	<p>> Thai Green Label certified. ** Thai Green Label is an environmental certification awarded to specific products that are shown to have minimum detrimental impact on the environment, in comparison with other products serving the same function. The Thai Green Label Scheme was initiated by the Thailand Business Council for Sustainable Development (TBCSD).</p> <p>> Green Industrial Level 4 certified. ** Green Industrial Level 4 is strategic government policy by Ministry of Industry that attempts to accelerate the development and growth of green industries to transition towards a low-carbon economy such as renewable energy and low-carbon public transportation infrastructure are faced with high costs and many risks in terms of market economy.</p>

SOCIAL RESPONSIBILITY - SUPPLIERS

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International Material Certifications

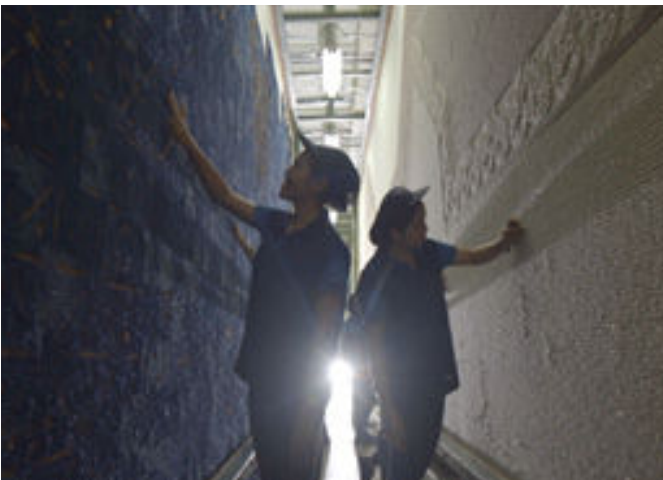
	 European Union Regulation	 RoHS	 Oeko-Tex Standard 100	 NFPA	 EU Directive	 Blue Sign	 Green Label Plus	 Thai Green Label	 Textile Standard	 Australian Standard	 Green Industry	 Green Star	 US Standard	 Singapore Green Building Council	 OCS 100 - Organic Content Standard	
Polymer chips			✓		✓											
Backing	✓															
Latex	✓															
PVC												✓				
Natural Yarn			✓													✓
Natural Fiber			✓						✓							
Synthetic Yarn	✓		✓													
Synthetic Fiber	✓		✓													
Master batch					✓											
Dyestuff	✓		✓		✓	✓										
Auxiliary Chemicals	✓		✓			✓			✓							
Antistatic Chemical	✓															
Soil Protection Chemical	✓															
Spinning Oil	✓		✓													
Thickener	✓															
Synthetic Underlay				✓												
Adhesive for Installation							✓									
Packaging								✓								
Electrical-Electronic Equipment	✓	✓								✓			✓			
General Supplies								✓			✓					

HR Good Governance



Carpets Inter is committed to good corporate governance operating with transparency and moral responsibility to all stakeholders including shareholders, customers, suppliers, employees, community, and the environment. We aim to grow and sustain our status in supplying products & services to customers with key value results for customers, business partners, and stakeholders.

In addition to legal compliance, employees follow a handbook of ethics & good governance. This is designed to keep the working environment fair, ethical, honest, safe and free from undesirable behaviors.



Pays & Benefits Survey and Management

Our human resources management system is designed to ensure all employees realize "job satisfaction" and "a spirit of challenge" to achieve self-fulfillment through their tasks, as well as allocating proper pay, by linking individual achievements with organizational achievements. Carpets Inter consistently engages in fair practices by providing appropriate salaries or wages, bonuses and other benefits based on market surveys of local industries and businesses.

The company also offers incentives and rewards to employees who participate in the Productivity Projects, Small Group Activities, and Discipline & Punctuality Standards.

People Development & Knowledge Management

Carpets Inter aims to provide skill training and a learning environment in which motivated personnel can bring their capabilities into full bloom. The education and training system consists of several programs to enable employees to acquire compliance education and sophisticated job expertise in conjunction with their own goals and aspirations. Continuing education is provided according to the job position throughout corporate career. A variety of training courses are provided in response to individual employees and job needs.

> Training Course for Legal Compliance



Fire Evacuation drill



Forklift



Hoist



Fuel oil Station & Evacuate Drill Plan



Chemical Spill Control Drill Plan



Labor Standards Test Electrical Installation

SOCIAL RESPONSIBILITY - EMPLOYEES

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> Training Course of Productivity Improvement



Lean Management



Productivity Facilitator Refreshment

> Training Course of Development Program



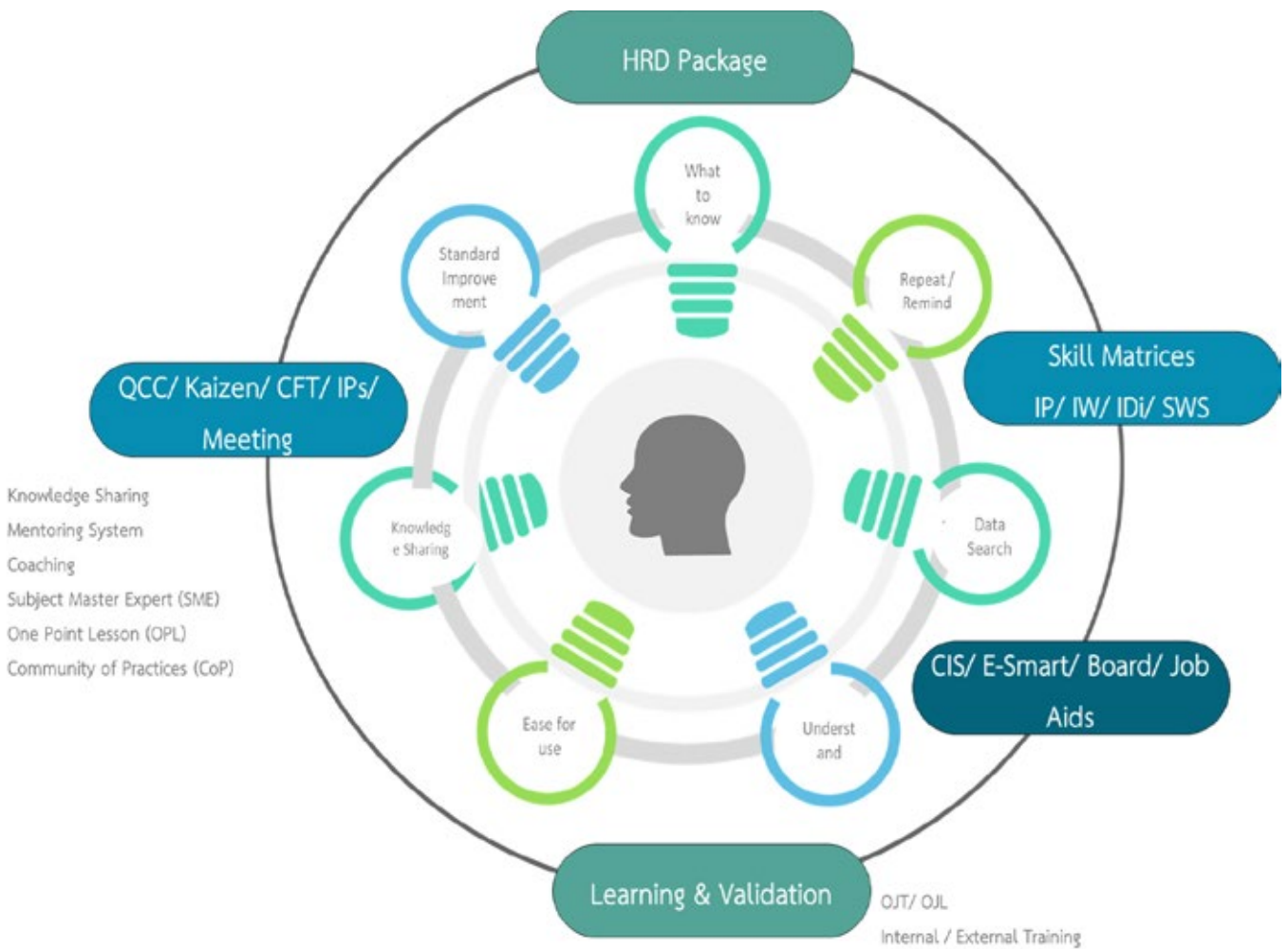
Leadership Development Program



Continuous Development Program

Knowledge Management

At Carpets Inter, one of our missions is to be a Learning Organization. We have gathered core skills & knowledge from individual employee and individual worksheet from each work area, then developed and consolidated into our E-Smart System. This system gives everyone easy access to acquire knowledge for self-development and improve work efficiency.



Related Activities Include:

- > Establishing Job Standards, Roles & Responsibilities, Knowledge, Skills & Competencies for employees.
- > Having specialists in specific tasks to transfer their knowledge into the E-Smart system (work procedures, instructions, and related documents). > Preparation of Skill Matrices for employees.
- > On the Job Training & Learning (OJT/OJL)
- > Knowledge Transfer
- > Small Group Activities, Kaizen Sharing and Work Process Improvement Activities
- > Community of Practices.

Career Development & Succession Plan

Individual Performance Management is applied to the Carpets Inter Performance Evaluation System. It is a tool for each individual employee to set Tasks Planning, Objectives & Goals, and KPIs & Targets as well as to review their performance periodically. This tool is also used in career path development for employees in order to retain high performance individuals and to help them advance their career.

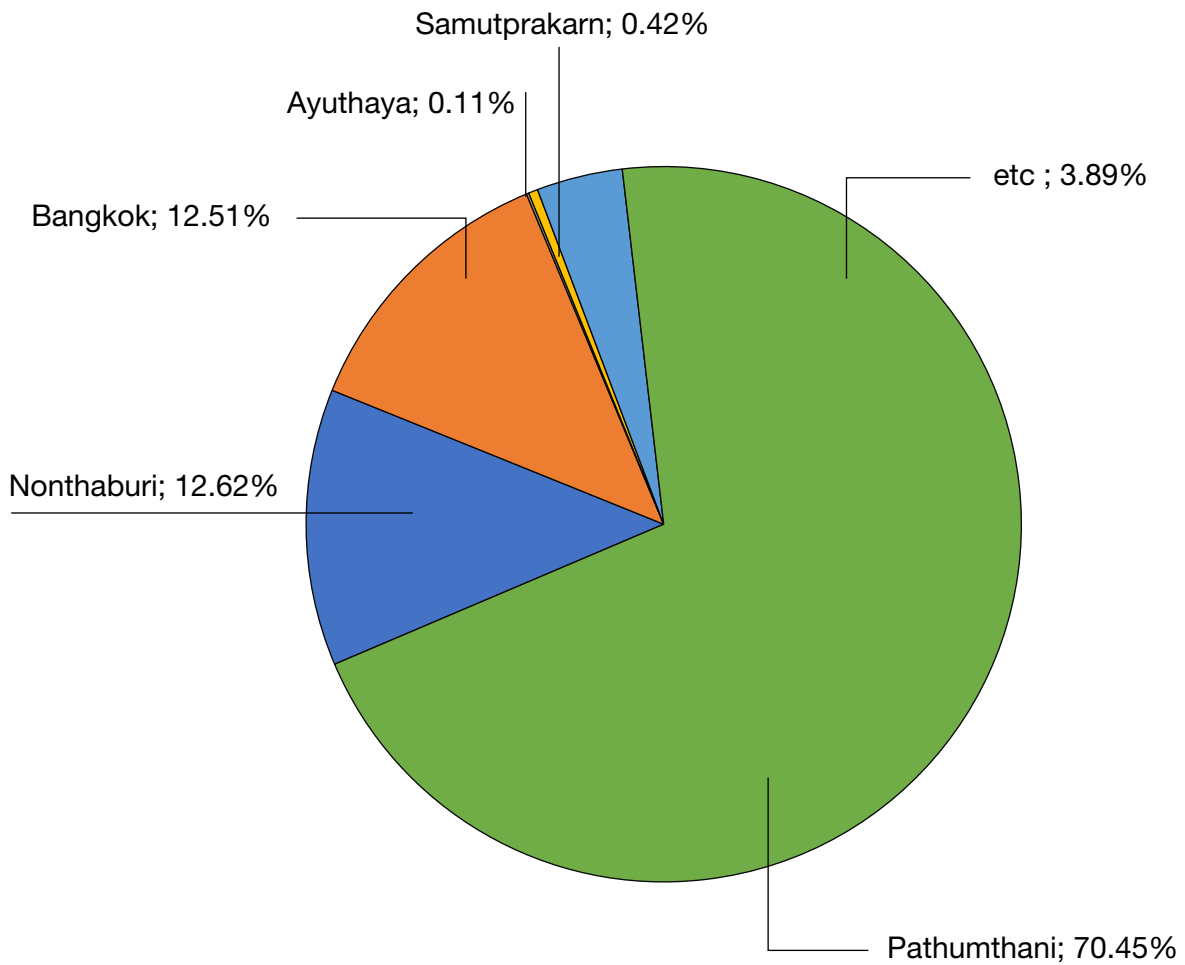
Rewards from External Institution;

- > In 2014, Carpets Inter has participated in Knowledge Sharing on KM for Sustaining the Organizational Productivity Movement program. The program was organized by Thailand Productivity Institute
- > In 2017, Carpets Inter has been awarded the "Establishment that maintains the Thai labor standards system continuously for 10 years" The program was organized by the Department of Labor Protection and Welfare
- > In 2021, Carpets Inter received the highest honor award for an establishment that maintains the Thai labor standard for 15 consecutive years. The program was organized by Pathum Thani Province Labor Protection and Welfare.

Recruitment & Retention Management

Our recruitment policy is to seek qualified candidates from local communities. We determine a set of selection criteria to get the right people to join our company by using attitude and aptitude tests, professional skill tests as well as an interviewing process.

We also provide job opportunities for existing employees as a first priority before recruiting from outside.



Employees Grievance

Carpets Inter has explicit policies on transparency and personal rights it provides channels for employees at all levels to voice complaints and address matters of fairness. The received complaints are properly and duly handled according to an established company process and in a timely manner. The result is communicated to the employee/appellant directly. If he or she still feels he or she hasn't been treated fairly then he or she has the right to take the issue to senior management.

Additionally, there are many programs which help to build relationship and understanding among the employees. Under these policies, labor and management merge their energies to improve productivity, while openly discussing issues and reviewing directions to deepen mutual understanding.

Emergency Preparedness

Emergencies can create a variety of hazards for employees in the impacted area. Preparing before an emergency incident plays a vital role in ensuring that employees have the necessary equipment, know where to go, and know how to keep themselves safe when an emergency occurs. Conducting simulations and drills is the most effective way to evaluate and test disaster preparedness plans.

1. Chemical Spill Control Drill



To educate about chemical leakage & control and how to prevent any chemical release into the environment.

2. Fire Fighting & Evacuation Drill



To make employees aware of fire protection & control and to prepare the readiness of the fire-fighting team.

3. Flood Drill



Preparation and rehearsing to prevent flooding.

4. Gas Leakage Drill



To educate employees on gas leakage protection & control and to prepare the readiness of the emergency team.

5. Emergency & Evacuation Drill



In order to emphasize the importance of emergency preparedness, Carpets Inter organized an emergency drill annually fire prevention plan with specific individuals trained and assigned to cope with possible emergencies.

The company has an annual full blown drill to effectively prepare for the readiness of the emergency team and practice of the evacuation plan.

Employee Activities

Happy Valentine's Day

Chinese New Year activities were held at Pathum thani factory. This is the day of love to our employees. During the day, an auspicious fruit was given which is a symbol of good luck and wealth for each employees and representatives.



Songkran Festival

The Songkran festival is the traditional Thai New Year's Day, the celebration from April 13th to April 15th to spend precious moments with their families such as sprinkling water on Buddha statues and pouring water onto the elderly's palms to ask for their blessings and visit the temples to observe ancient rites and make merit.



Health Surveillance & Promotion

Regarding occupational health & safety management and the health promotion program, Carpets Inter provides many activities for the employees as follows:-

Annual Physical Health Check-up Program

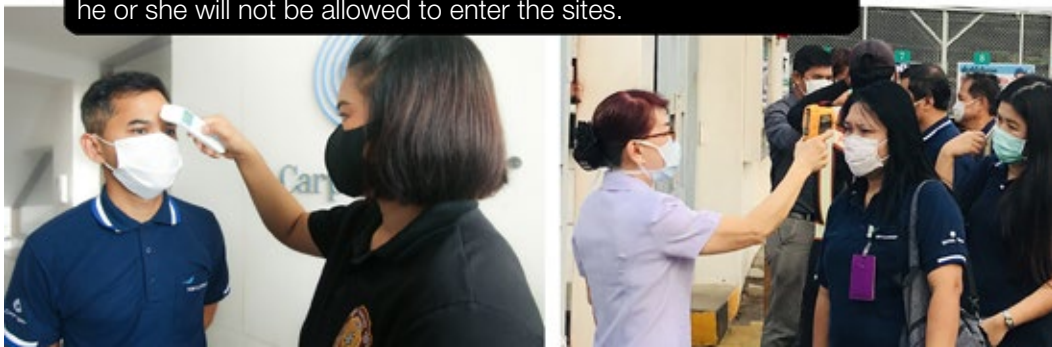
The company holds an annual physical health check-up program for employees in order to check on general health, investigate health risk factors and follow-up with effective health monitoring.



Measure to Protect our Colleagues from COVID-19

As Covid-19 continues to make headlines around the world, we wanted to reassure you that we are committed to safeguarding our employees, visitors and business partners while continuing to offer outstanding products and customer service that you are used to. First and foremost, we want to reassure you that the safety of all our employees is our number one priority. Among various initiatives in our protection plan, we are scanning all associates at the factory before they enter the site. Additionally, all associates are required to wear a mask and wash their hands regularly. Avoiding unnecessary large-scale meetings or public gatherings and keep at least 1 meter away from other for social distancing practices. All visitors are required to fill in screening questionnaires, temperature checks, wear face masks and clean hands with hygiene gel. Here below are some of the measures that we are implementing in our head office, branches, and factory located in Thailand.

1. Temperature Checks - if anyone reads higher than 37.5 degree, he or she will not be allowed to enter the sites.



2. Support colleagues by wearing a facemask to reduce the risk from spreading.



3. Provide hygiene liquid gel in the workplace so that all colleagues can access easily.

SOCIAL RESPONSIBILITY - EMPLOYEES

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Provided and distributed masks, hand sanitizer and face shield for all employees and subcontract.



“CSR Activities”

The activities are further reviewed and operated by our employees.

We are proud to be local leaders in the Reuse, Recycle and Reduce movement and are the first in the region to obtain and comply with both quality and environmental ISO certifications. Our economic success is linked with the strength of the communities where we operate. That's why we participate in cultural, economic, educational, environmental and social projects in the communities for example donations and cultural activities, recycle bank, community products promotion, Volunteer Teachers, Carpet Maintenance and Cleaning in Temples etc.

Children & Education Development & Support

Garbage Bank

The campaign aims to promote waste classification in schools and companies by classifying waste used in everyday life and selling it to raise funds for expenses for lunches for students at Ban Khlong Chao Muang School. In addition, the project has also continually raised awareness of environmental protection since 2008.



Donate an unused computer

The company supports donating unused computers to the International Association of Persons with Disabilities to reduce the amount of electronic waste to be recycled and converted into donations for organizing activities for the disabled.



Sponsoring Handicapped

The Third Page Paper for the Blind

A campaign that encourages staff to collect used paper that were printed on both sides with good condition and give them to the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen. These papers can be recycled to make the third page paper and teaching media (Braille) for the visually impaired. This activity has been ongoing for more than ten years.



Blood Donation to help patients

Blood Donation

Encourage employees to donate blood to help patients in hospitals. The company invites staff from Siriraj Hospital to organize blood donation camps at our workplace twice a year. These activities have been carried out for more than 30 years, and the company has received a plaque of honor from Siriraj Hospital.



Communities “Revenue Distribution Activities”

OTOP Community Products Promotion

We supported local products by organizing "the sale of OTOP products of Pathumthani and neighboring provinces" once a month at the factory. The monthly OTOP activities helped to generate income for these local OTOP vendors.



Environment and Community Protection Activities

Planting trees to offset carbon emissions

As trees grow, through the process of Photosynthesis they will naturally sequester harmful air-borne green-house gas emissions and turn it into the Oxygen within the Air we breathe. As part of our stewardship program to protect the environment, each year TCM Flooring visit local temple plantations to replenish young trees towards offsetting our Carbon footprint.



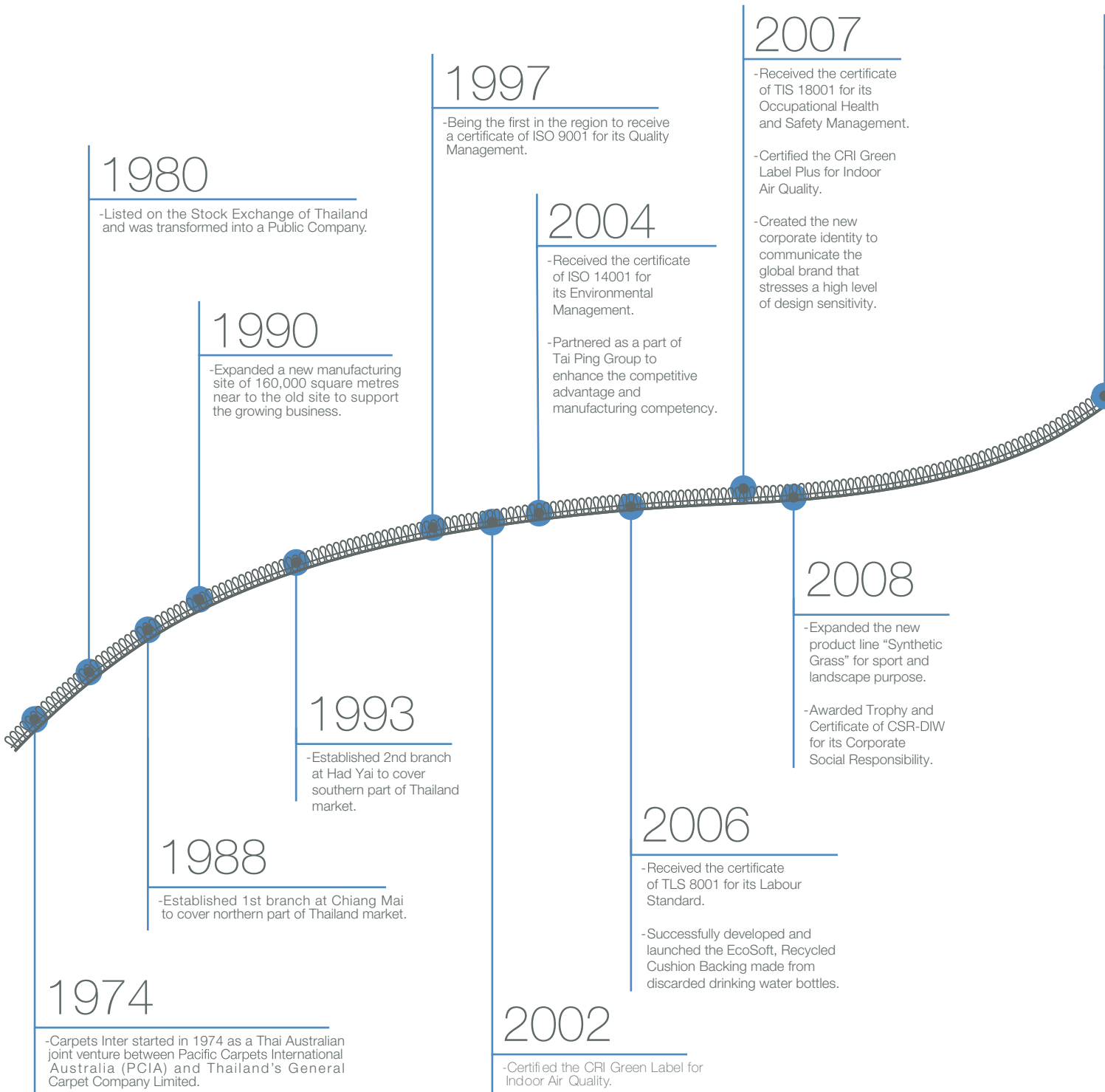
Thai Culture Inheritance Activities

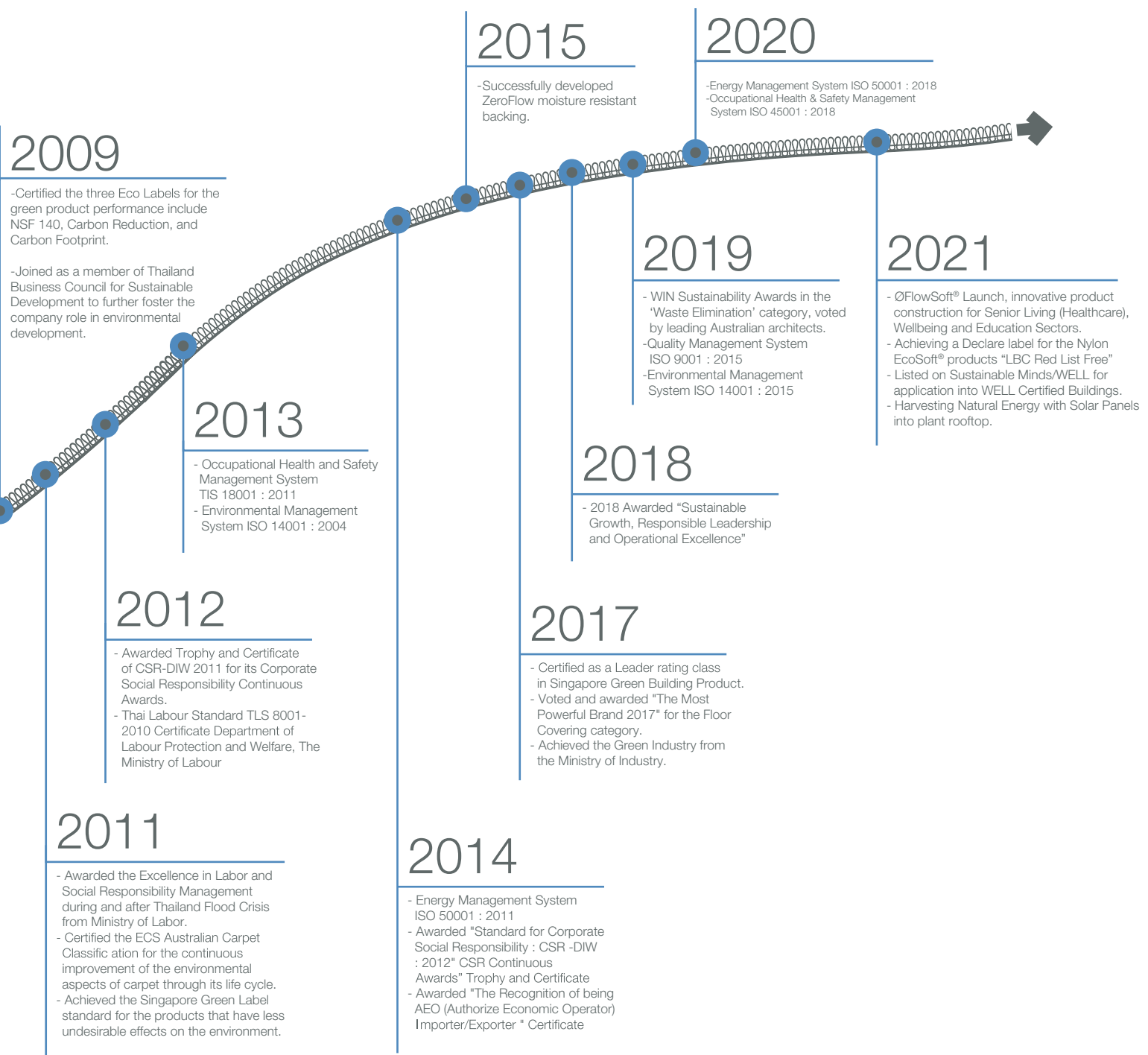
Buddhist Lent Festival

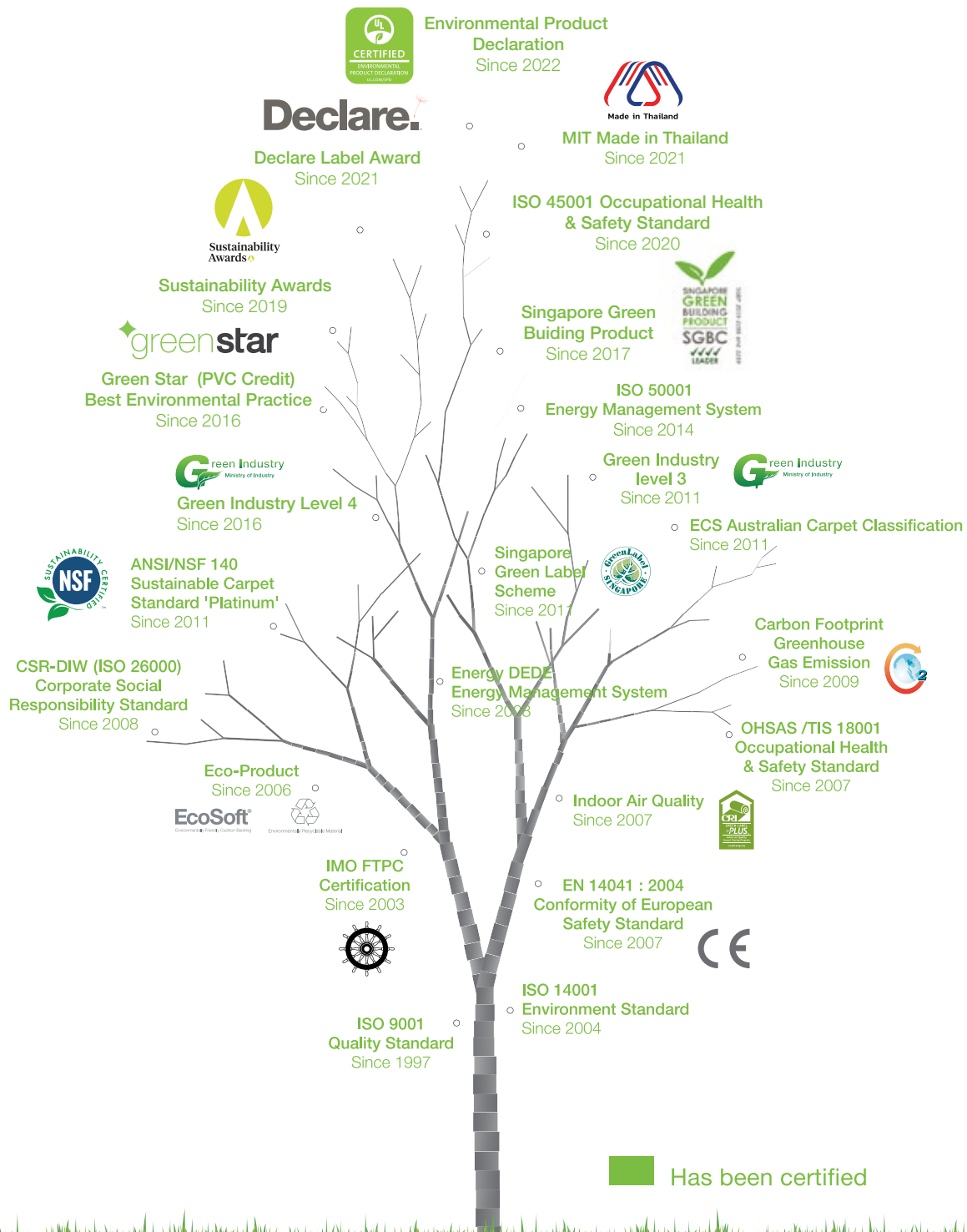
From the Covid-19 situation, reduce the risk the company can send employee representative offering candles.



Carpets Inter® Corporate Timeline







Achievement Tree on System & Product Standards Compliance

Carpets Inter is committed to responsible environment practices and understand the importance of making business decisions that are sensitive to environmental imperatives. We take a proactive approach in addressing the key issue associated with flooring products.



SUSTAINABILITY

REPORT 2022

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