

January 13th, 2022

Stakeholders

Our stakeholders have a sizeable impact on our business practices and we aim to fulfill their expectations as much as possible. We mutually grow and improve with the expectations that are directed towards us and any input by our stakeholders is valuable for us.

Customers – We aim to provide consistent quality and safe product delivered on time produced in accordance with the law and international ethical standards.

Suppliers – We maintain a professional and fair business relationship and monitor the performance of our suppliers. All suppliers are expected to at least operate in compliance with local law.

Employees – We provide a safe and clean workplace, free of any harassment or discrimination, operate in accordance with local labour laws and provide a pleasant workplace.

Community – We support our community by obeying all environmental laws, reduce energy consumption and minimize waste as well as donating to local charity projects.

Covid-19 Pandemic

2021 was overshadowed by the ongoing pandemic. Our company has mobilized all resources to mitigate the impact of the pandemic on our operations and protect the staff members. We organized vaccines for all employees and implemented safety measures to guarantee a safe working environment. Due to those measures a spread of the disease within the company could be successfully prevented even though there were single staff members that tested positive for Covid-19.

Waste reduction and environmental protection

We continuously work on reducing the environmental impact of our production. The installed solar panels on the roof of the factory cover 25 % of our electricity consumption. Further measures to reduce the use of electricity are the replacement of conventional lamps with LED lights, the insulation of our factory building and a regular cleaning of all air conditioners.

We operate a water treatment facility on site to ensure any water we expel into the waste water stream is free of harmful chemicals.

Through our work to minimize carbon emissions, we have maintained our carbon footprint under the Thailand Greenhouse Gas Management Organization guidelines also in the past year.

We are still actively looking into alternatives for common plastic to pack our products. The current solution of compostable plastic bags is still not suitable for most customers as they start to decompose after one year.

Our employees purchase their food mostly from street vendors outside of the factory who normally use a significant amount of single use plastic. By providing reusable plates and cutlery this could be reduced to a minimum. We

actively provide the plates and cutlery to the street vendors before lunch and the employees return them back to factory. This project proved as success and is going on for several years now. We will continue raising awareness among our staff members about plastic waste and the impact it has on the environment.

Continuous improvement through various Audits

In 2021 we were audited 8 times with social compliance still being the most important concern of our customers. Testing compliance becomes more and more important and we invested more time and manpower to guarantee the safety and quality of our products by strict supervision of all incoming and outgoing goods.

Health and Safety

Our Company has a Safety Committee which is monitoring the laws and regulations and checking our compliance. Updates are communicated within the committee and then forwarded to the factory employees.

We aim to keep our factory free of accidents by actively promoting a careful and safe way of working. This is done by specific safety trainings depending on the field of work, public bulletins and signage. In the past year we recorded 6 minor accidents of which the majority was caused by non-observance of the safety rules. The affected employees received additional training after recovering to prevent future incidents.

Human Rights

We conduct a human rights risk assessment annually to check if there is a possibility of human rights violations within our operations. In the last year we could not detect any findings.

Charity

We support local organizations with donations to help our community for several years. In 2021 we helped the Orphanage Foundation of Thailand. The last time we supported the foundation we primarily helped to renovate the girl's building. This year, we have focused on the boy's building with long due renovations. We have renovated the bathroom, as well as the toilets and provided new water filters and a water dispenser. Additionally, we fixed the stairs and handrails to ensure increased safety. We also set up new drying racks and prepared beddings for the 25 boys living there. This includes mattresses, pillows, blankets and coverings. Also new clothing was donated to the orphanage.

Before



After



Before



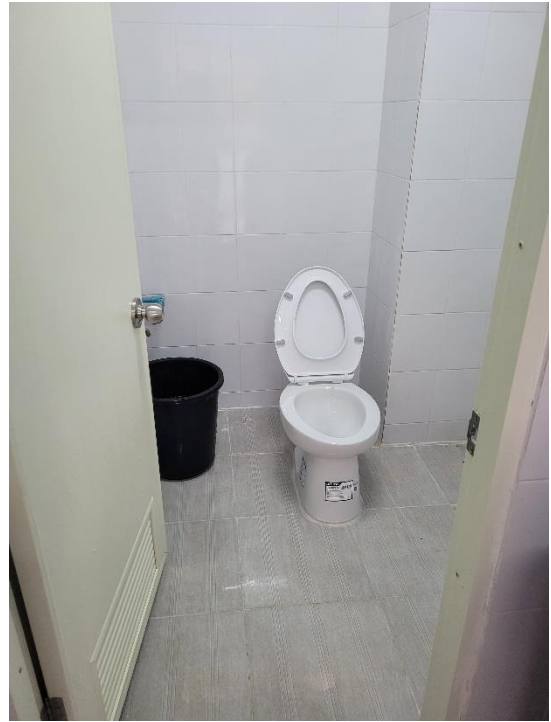
After



Before



After



Before



After



Before

After



In case you are missing any topics in the annual report on our business practices please contact moritz@elf925.com. We value your feedback and try to consider the requested topics for the next year.