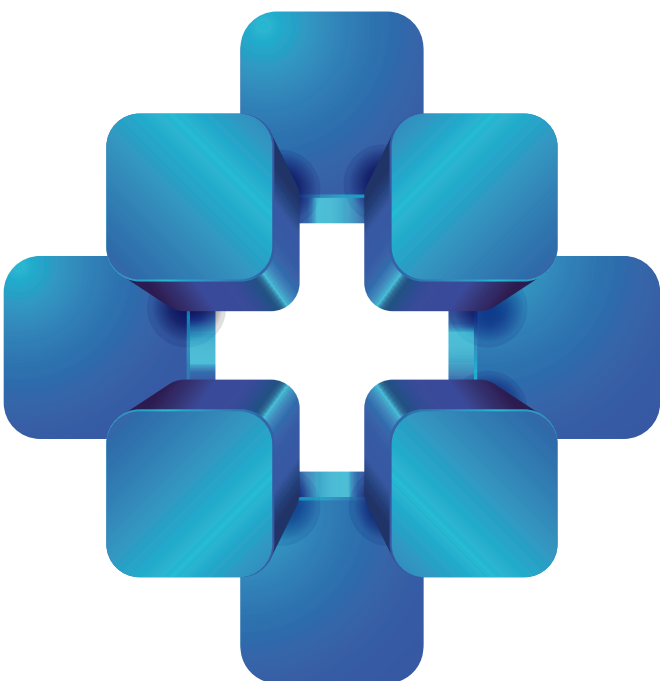


SUSTAINABLE DEVELOPMENT REPORT 2019



Policy on Sustainable Business Development with Responsibilities to Society and Environment

Principal Capital Public Company Limited (“PRINC”), operates private hospital business in parallel with property for rent located in the CBD area. It also offers full-service office building management services in term of sale, administration, accounting etc. by the professional team with fairness and transparency. Apart from this, the Company also operates Information Technology service, delicate to develop sustainable business growth with responsibilities to society and environment to achieve continuous benefit for all stakeholders such as shareholders, investors, counterparties, staffs, societies, and environment, thereby specifying policy to comply as follow:

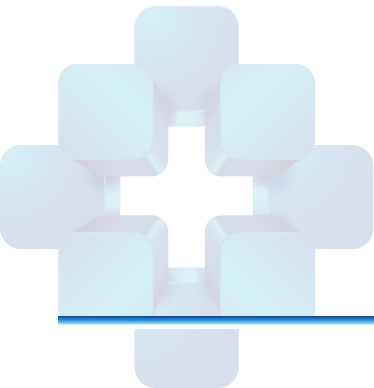
1. Generate business growth with transparency, good corporate governance, and ethical for benefit to stakeholders, societies, and environment.
2. Manage our stakeholders objectively and encourage free trades with no conflict of interest and anti-corruption.
3. Dedicate and respect human right and fair treatment to staffs in terms of compensations, welfares, safety and work sanitary. Also, training to enhance knowledge and skills for career advancement, engagement between staffs and organization, and staff participation in internal and external corporate social responsibility are supported in both direct and indirect manner.
4. Create value and quality by developing products and services which reduce impacts and harms to consumers and environment while enhancing better quality of life that suits for consumers.
5. Generate benefits to life quality development for surrounding local communities and Thai society by employing business processes which reduce society impact.
6. Focus on environment management by considering potential impacts, maintaining safety, using resources effectively and saving energy.
7. Encourage innovation from stakeholders which creates value to communities, society, and environment with sustainable business development.



Business Development with Responsibilities to Society and Environment ISO 26000



Relationship Among Organization, Stakeholders, and Society



Our Stakeholders



PRINC shall consider all stakeholders as follows:

1. Shareholders and investors
2. Environment
3. Communities and Societies
4. Customers
5. Counterparties and competitors
6. Staffs and families



Principal in Sustainable Business Development with Responsibilities to Society and Environment

The Company is aware that major factor contributing to sustainable business growth is to create the balance of economic, social and environmental profit. Therefore, other than the determination to expand the business to meet the target, the Company has set up more continuous social and environmental activities that show clear concrete outcomes, by focusing on building the understanding and awareness within the organization as the first priority. When sub-units of the organization understand, the outcome shall be fruitful as expected. The Company has adhered to the 7 main policies, which is in accordance with the guiding principle of the Stock Exchange of Thailand and ISO 26000 standards as follows:

1. Good corporate governance

The Company has determination to operate the business with transparency, accountability and disclosure of important information comply with the laws and other related regulations, including taking the benefits of all stakeholders into consideration. To make it clear and the employees have the same understanding of the best practice, the Company has outlined the Corporate Governance Policy and other related policies and posts such information publicly on the intranet for the employees' acknowledgement.

2. Doing business with fairness

To do business fairly, the Company has announced the anti-corruption policy as an operational guideline, which will help reducing the problems on conflict of interest or violation of laws. Also, the Company has set up the information technological policy that covering the use of products with valid license in order to eliminate the problem of intellectual property infringement by having the penalty code and published such information on intranet of the Company for employee's conduct and acknowledgement. In addition, the Company review corporate governance standard and improve the policy to be in line with international standard. Furthermore, the Company receive the Certification in Collective Action Coalition Against Corruption or CAC reflecting the determination to pursue anti-corruption policy and put into practice in the organization as well as joining every form of anti-corruption campaign.

On June 7, 2018 the Company obtained the Certificate in relation to "Thailand's Private Sector Collective Action Coalition against Corruption (CAC)"

3. Human rights and employment treatment

The Company treats its employees equitably and fairly, providing welfare, safety and hygiene in line with labor standards. Employee compensation covers more than wages, salaries and bonuses. Training is also provided to develop employee skills in various areas. Relationships within the organization are promoted, as well as effective communications and teamwork. Specialized training is provided, such as Senior Supervisor and Leadership Skill Development courses for officials, physicians and nurses of Pitsanuvej Hospital.

In 2019, the Company encouraged directors to attend the training program organized by "Thai Institute of Director".

Units: number of Employee	PRINC	MEA	PSUV	CS	VB	VR	VR (SEB)	PRINH
	2019	2019	2019	2019	2019	2019	2019	2019
Social								
Proportion of employees by sex								
Male	15	73	49	8	-	-	32	77
female	20	73	135	13	1	1	23	147
Classified by level								
Management level	14	13	7	6	1	1	-	49
Operating level	21	117	177	15	-	-	55	175
Temporary staff	-	16	-	-	-	-	-	-
Classified by age								
Less than 30	5	52	95	7	1	1	21	61
Between 30-50	22	90	79	11	-	-	34	149
50years old and above	8	4	10	3	-	-	-	14
Classified by area								
Headquarters	35	-	-	21	1	1	-	30
Branch office	-	146	184	-	-	-	55	194
Staff expulsion								
Male	2	9	13	13	1	1	14	23
female	2	16	24	16	1	-	17	21
Employees retire by age								
Less than 30	-	13	22	7	1	-	18	13
Between 30-50	4	10	14	20	1	1	12	26
50years old and above	-	2	1	2	-	-	1	5
Resignation rate	-	10.30%	2.53%	-	-	-	-	-
New entry employees by sex								
Male	2	13	26	-	-	-	21	26
female	2	15	77	5	-	-	22	47
New employees classified by age								
Less than 30	1	20	64	1	-	-	23	27
Between 30-50	3	7	38	3	-	-	20	41
50years old and above	-	1	1	1	-	-	-	5
Employees development								
Company Directors	1	-	-	-	1	1	-	-
Manager level	1	10	33	2	-	-	73	14
Operating level	1	3	168	-	-	-	587	16

Remark

PRINC	- Principal Capital Public Company Limited
MEA	- Marriott Executive Apartments Sathorn Vista, Bangkok
PSUV	- Princ Hospital Suvarnabhumi
CS	- Convergence System Co., Ltd.
VB	- V Brilliant Group Holding Co., Ltd.
VR	- V Residence Co., Ltd. (Headquarters)
VR (SEB)	- V Residence Co., Ltd. (Sumerset)
PRINH	- Principal Healthcare Co., Ltd.

4. Responsibilities to Customers

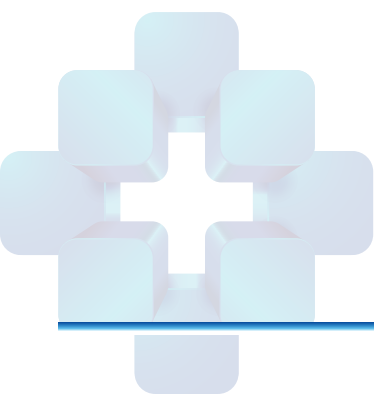
To maintain high standard of services for high-end customers, the Company entered into a contract with the Marriot group, who is a famous international hotel group to manage and administer Marriot Executive Apartments Sathorn Vista, Bangkok. The Company also monitors its operating result quarterly to ensure that the customers have the best services. This property has always been awarded with the excellent rating from the customers. In addition, the Company entered into the management contract with Ascott International Management (Thailand) Co., Ltd. Who is a market leader in serviced apartment management service in Asia Pacific and Europe as well as middle-east, to manage Somerset Ekamai Bangkok Project.

5. Environment and Security

The Company organizes the training on fire drill for the buildings administered by the Company and sends its staffs to attend the training on Advanced CPR with BNH Hospital to learn how to behave in case that their colleagues or customers need an emergency assistance.

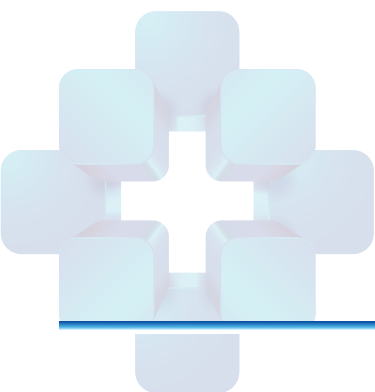
6. Participation in Community and Society Development

The Company conducts CSR-In process activities, which are social and environmental activities affecting to an organization's stakeholders and surroundings. CSR – After process, which covers activities for society and the environment not directly related to the organization's operation, is also executed. During 2019, the following activities were conducted.



Social Activities of Principal Capital PCL.

- Fund raising for a mission of giving cosmetic surgery for Cleft Lip of Operation Smile Thailand. This project has continued for many years and this year fund raising amount from the customers and company's staff was Baht 91,859
- Organize "Wish Upon a Star" activity to raise fund from customers and employees to purchase gifts, sport equipment, stationery, donated things to the students of Bangkao School in Cha-am district, Phetchaburi province. The Company donated amounting to Baht 16,681
- Organize "Run to Give" activities to raise fund for donation to Siriraj Hospital for new hospital building construction. The Company donated total revenue from sale of T-shirt of Baht 22,750
- The Company conducted activities for breast cancer patients, raising funds totaling 900 Baht (after expense deduction), by organizing goods selling booths for donating to the Queen Sirikit Centre for Breast Cancer Foundation for breast cancer patients on the occasion of the International Women's Day



Social Activities of Pitsanuloke Medical Co., Ltd.

- Pitsanuvej Hospital organized “Ton Kla Haeng Kwam Dee” voluntary activities for 2019, presenting scholarships, teaching aids, books, computers, clothes, and household drugs to students of Forest Industry Organization School 2, Phitsanulok Province.
- Pitsanuvej Hospital presented relief items and money to flood victims in Wang Thong District, Phitsanulok Province.
- Hospital personnel provided basic first aid training to students of Imperial School as part of the Safety Day and Disaster Activities for Academic Year 2019.
- Pitsanuvej Hospital conducted panel discussions to educate people on various topics; e.g., smart exercises for better life.
- A mobile medical team provided first aid services as part of the Ban Mung Noen Ma Prang Marathon Event.

Social Activities of Paknampo Hospital Co., Ltd.

- Princ Paknampo Hospital presented 50 life jackets to Nakhon Sawan Municipality for use by officials working for safety of boat commuters and tourists.
- Princ Paknampo Hospital in cooperation with Nakhon Sawan Municipality set up Sawan Park Health Center to impart health knowledge and provide basic health services to people of Nakhon Sawan Province.
- Officials of Princ Paknampo hospital provided AED training to personnel of agencies to which the hospital had donated automated external defibrillators (AED) for them to use the equipment properly.
- Princ Paknampo Hospital took part in the blood donation event in cooperation with Regional Blood Center VIII, Nakhon Sawan Province. 72 units of blood was donated by the hospital’s service users and employees.
- The Hemodialysis Center of Princ Paknampo Hospital 2 provides free hemodialysis service to low-income patients with kidney diseases.





Social Activities of Union Pichit Doctors Co., Ltd.

Pitsanuvej Pichit Hospital’s mobile medical team provided basic health check-ups in cooperation with agencies of the public and private sectors. The Hospital also presented money and 50 dozens of water bottles for relief of flood victims to the Pichit Provincial Administration Organization. It also presented dried food in support of the Center for Road Safety during the New Year’s Festival and provided basic first aid training under the Rescue Project of Pichit Province. Its medical personnel took part in the basic fire drill at Tops Plaza, Pichit Province.



7. Giving an importance to Social Responsibility Activity

The Company intends to develop social responsibility to be more sustainable, so the Company give an importance to the preparation of Sustainability Report in order to declare its determination and to be a starting point for building sustainable balance to the economic, social and environmental outcomes.

Remark: Please read for further details in Sustainability Report in the Company's website; http://www.principalcapital.co.th/investor/good_corporate.html

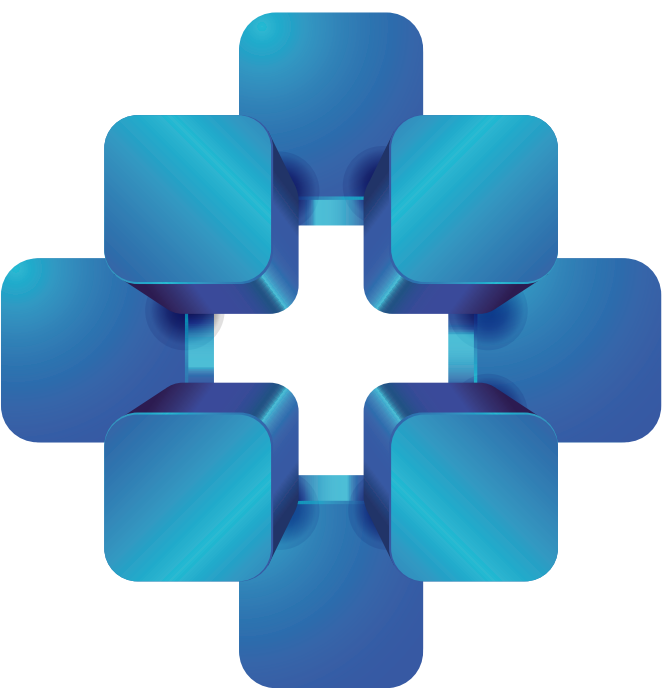


Guideline in selecting PRINC issues

From Annual report Year 2019, “responsibilities to society” No.7 “Focusing on responsibilities to society” The Company intends to develop social responsibility to be more sustainable, so the Company give an importance to the preparation of Sustainability Report in order to declare its determination and to be a starting point for building sustainable balance to the economic, social and environmental outcomes.

PRINC assess information both internal (organization goal) and external (stakeholders) on expectation, important issue, and demand that may affect company sustainability in terms of economic, social, environmental dimensions. Then, issue identification based on materiality, significant impact to organization and stakeholder, is established by focusing on training staffs to develop their capacity and learning and adjust their attitude toward work quality, making company a learning organization with sustainable balance among economic, social, and environmental outcomes.





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