



# OPPORTUNITY DAY

3<sup>rd</sup> December, 2015



# AGENDA

- **Business Introduction**
- Safety Performance
- Production Performance
- Financial Performance
- Market Outlook 2016
- Excellence Programs 2016
- CSR Highlights
- Awards and Recognition
- Q&A




# Map Ta Phut Industrial Estate



- **180 km from Bangkok**
- **The largest Petrochemical complex in Thailand**
- **Strategically located next to Deep Sea Port**

# Vinythai Public Company Limited, established in 1988, is a leading Chlor-Alkali and PVC Manufacturing company in South East Asia.

## VINYTHAI SHAREHOLDING STRUCTURE

 <b>SOLVAY</b> <small>asking more from chemistry®</small>	58.77%
 <b>ptt</b> <small>GLOBAL CHEMICAL</small>	24.98%
 <b>ตลาดหลักทรัพย์แห่งประเทศไทย</b> <b>The Stock Exchange of Thailand</b>	16.25%

- **Location** : Thailand
  - **Office** : Bangkok
  - **Plant** : Map Ta Phut
  - **Surface** : 250 rai
- **Employees (as of Oct.15)**
  - **Bangkok** : 34
  - **MTP** : 418



**PVC** PolyVinyl Chloride  
**VCM** VinylChloride Monomer  
**EDC** Ethylene DiChloride  
**NaOH** Caustic Soda  
**ECH** Epichlorohydrin (Epicerol®)





# VNT Share Holding Structure



VINYTHAI

Vinythai  
PCL.



Advanced  
Blochemical  
(Thailand)  
Co.,Ltd.(100%)

Vinythai  
Holding Pte.  
Ltd (100%)

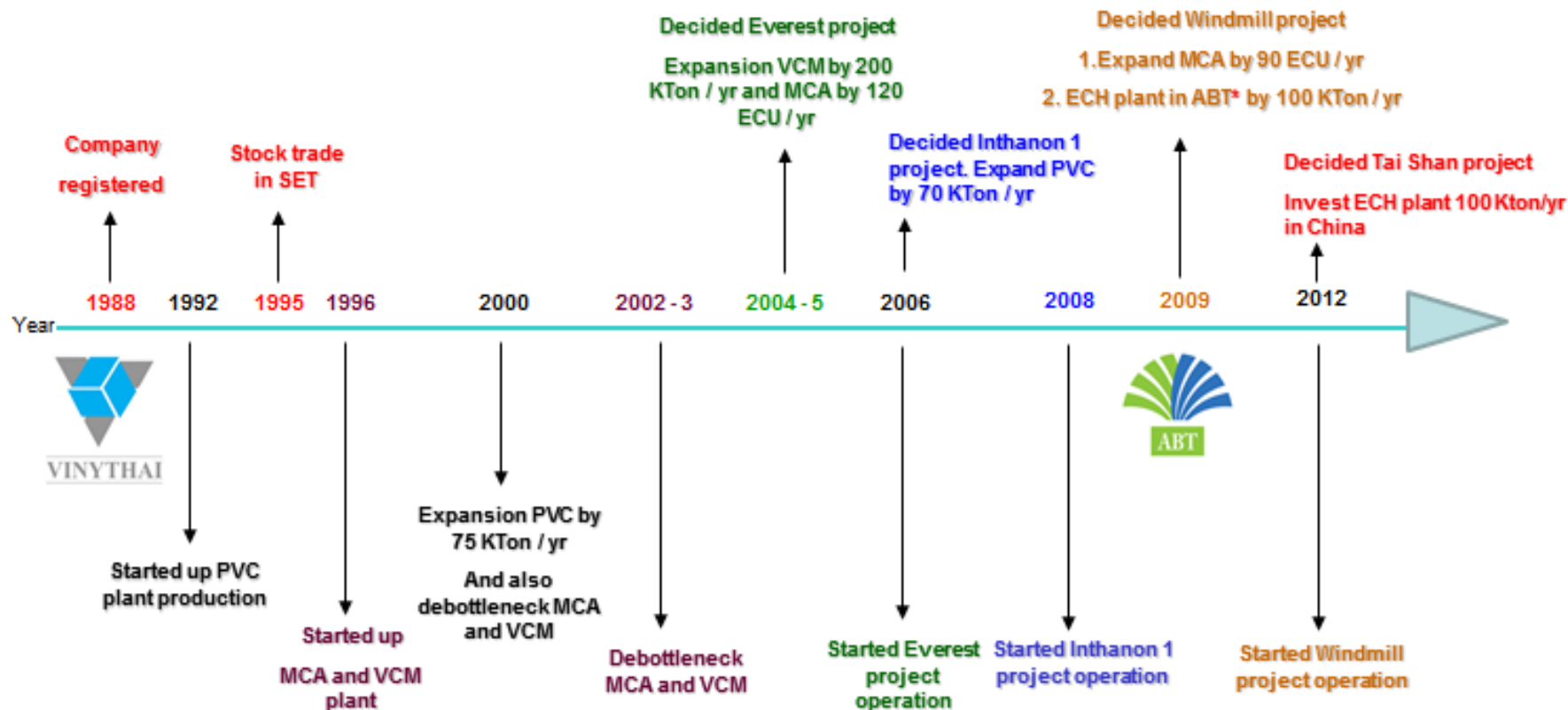
Pimai Salt  
Co.,Ltd.(28.49%)



Solvay  
Blochemicals  
(Talxing) Ltd.  
(100%)



# Vinythai Milestones



PVC	135,000	135,000	210,000	210,000	210,000	280,000	280,000	280,000
VCM	-	140,000	187,000	200,000	400,000	400,000	400,000	400,000
NaOH	-	98,600	125,100	133,600	270,000	270,000	370,000	370,000
ECH	-	-	-	-	-	-	100,000	200,000

(Ton / year)

\* ABT is subsidiary company namely "Advanced Biochemical (Thailand) Co., Ltd."

# PVC in Daily Life

## Credit/Bank cards



## Construction Materials Pipe&Fitting, Cable Flooring, Canvas, Regid profile, Window frame



## Medical application Blood bag, tube, medicine packaging, medical gloves



## Packaging Food, Drinking water, preserving film



## PVC leather



## Inflatable application





# Caustic Soda in Daily Life

**METALLURGY**



**PAPER MAKING**



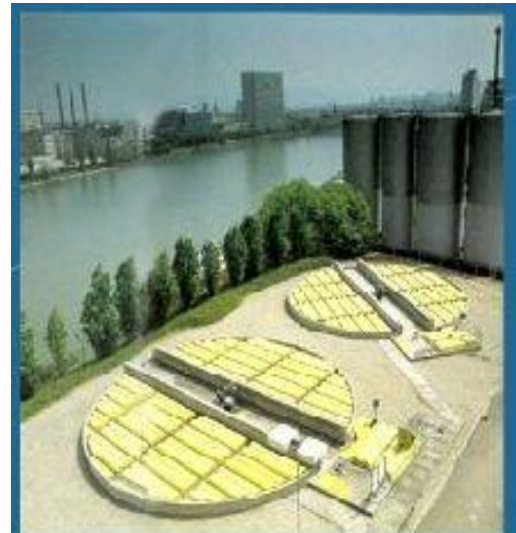
**DETERGENTS**



**FOOD**



**TEXTILES**





# Epichlorohydrin:

through Epicerol® process using renewable raw material, Glycerine



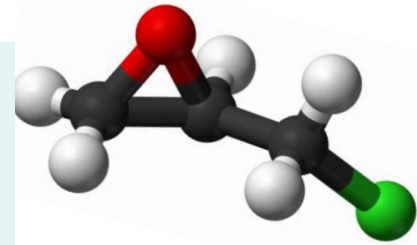
Adhesives



Electronics



Home & Personal Care



**EPOXY RESINS**

**NON EPOXY RESINS**



Paints & Coatings



Composites



Pulp&Paper



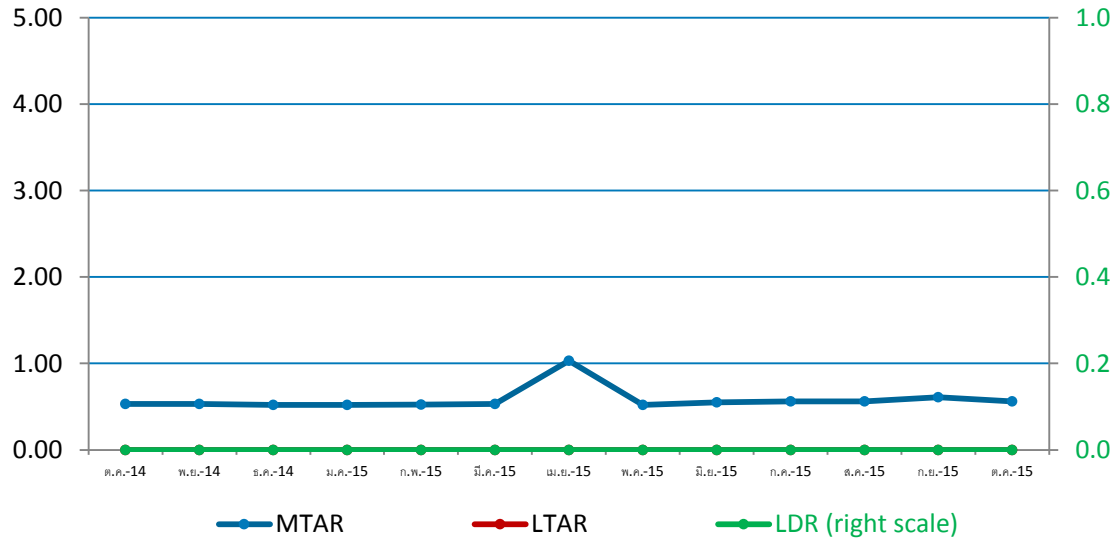
Water Treatment

# AGENDA

- Business Introduction
- **Safety Performance**
- Production Performance
- Financial Performance
- Market Outlook 2016
- Excellence Programs 2016
- CSR Highlights
- Awards and Recognition
- Q&A

# Occupational Safety Result

## Occupational Accidents Statistics (Over 12 months)



### Indicators (12 months)

- Accident with Chemical Contact = 0
- Accident with Irreversible consequences = 0

### Leadership Safety Visits (LSV)

- YTD: 13 visits performed vs. 13 targeted .
- All LSV planed in 2015 =16

### As of October 2015

**MTAR: 0.56    LTAR: 0.0    LDR: 0.0**

#### MTA in the last 12 months:

- MTA = 1 MTA on April 04, 2015, A contractor's little finger was pinched by a valve's handle during moving the valve).

MTAR = Medical Treatment Accidents Rate = Ratio of number of accidents with medical treatment / million worked hours calculated over a 12 months period

In 2015, Safety Excellence Programs and Initiatives have been deployed and implemented to strengthen our safety performance; Task Observation, Leadership Safety Visits, Solvay Life Saving Rules, Prevention of Chemical contact accident.



# Our Achievements and Awards



**August 2015:** Obtained “Zero Accident Award 2015: Gold Level” for outstanding achievement more than 8 million worked-hours without LTI, by the Department of Labor Protection and Welfare, Ministry of Labor.



**June 2015:** Obtained 2014 “Excellence Environmental Governance Award - Green Star” and “Gold Star” from IEAT.



**September 2015:** Obtained “3Rs Recycle, Reuse and Reduce Award” and “Zero Waste to Landfill Award 2015” from DIW.

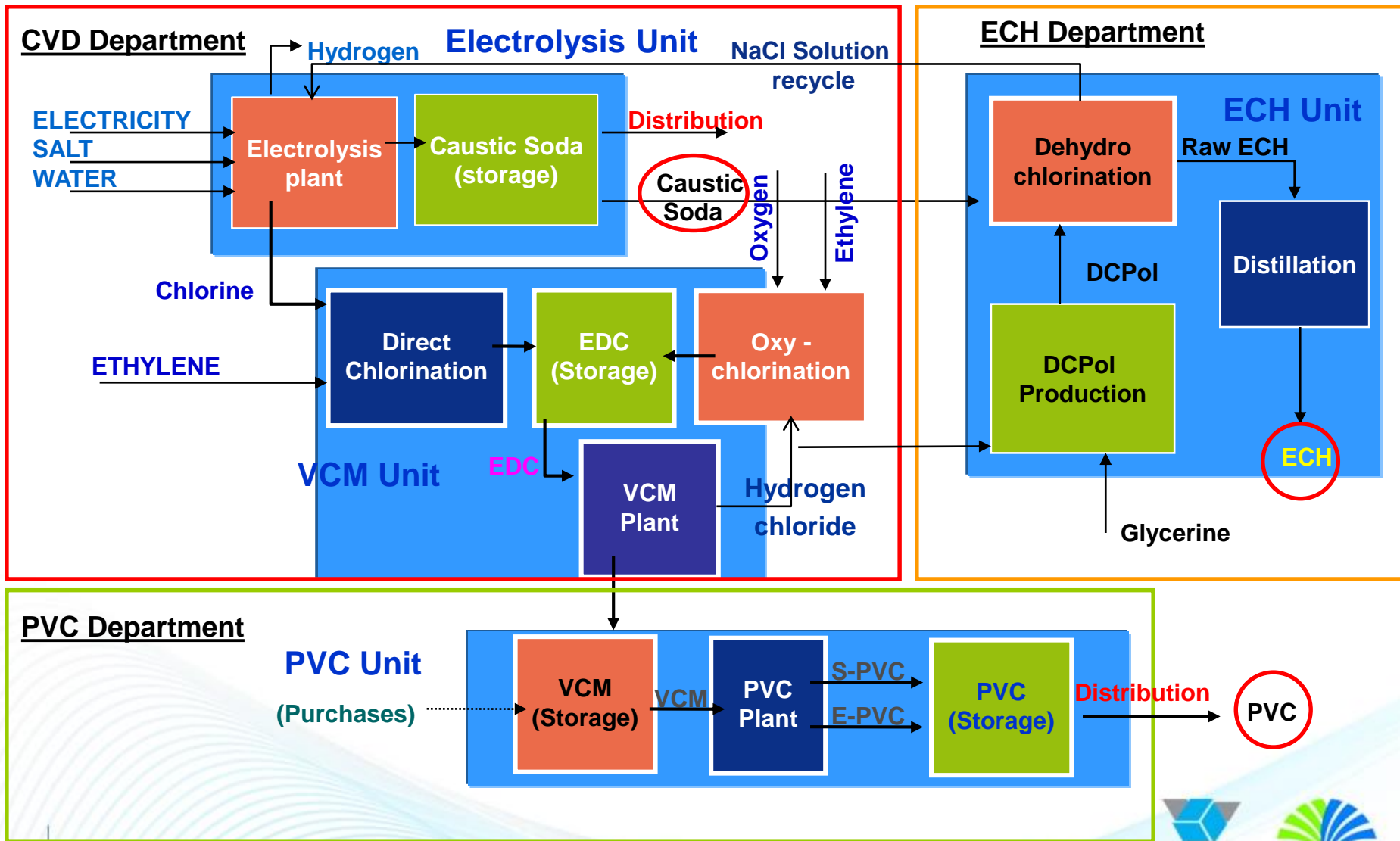


**September 2015:** Obtained certificate of “The Workplace Safety Project in Honor of HRH Princess Maha Chakri Sirindhorn” from the Governor of Rayong.

# AGENDA

- Business Introduction
- Safety Performance
- **Production Performance**
- Financial Performance
- Market Outlook 2016
- Excellence Programs 2016
- CSR Highlights
- Awards and Recognition
- Q&A

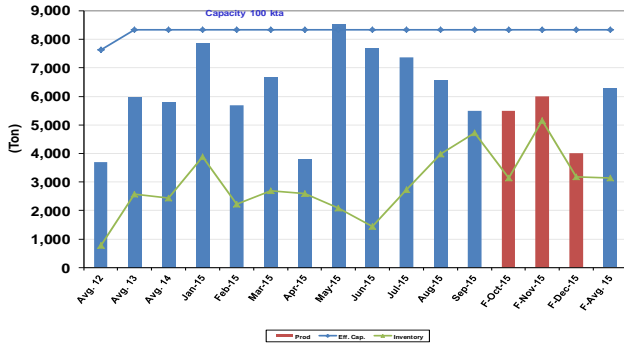
# Fully Integrated Production structure





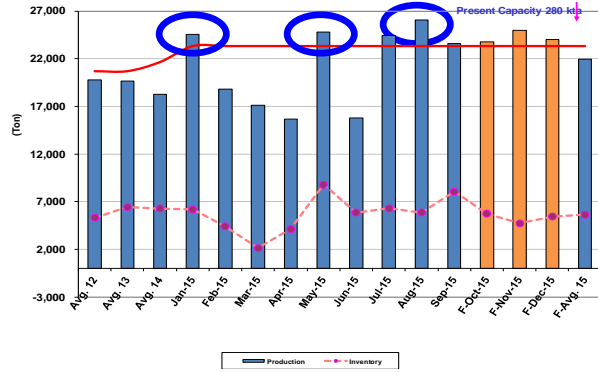
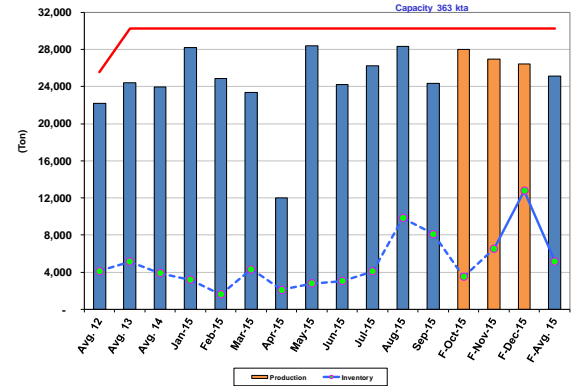
# Production 2015

## New monthly / quarterly records in PVC-S, PVC-E and VCM



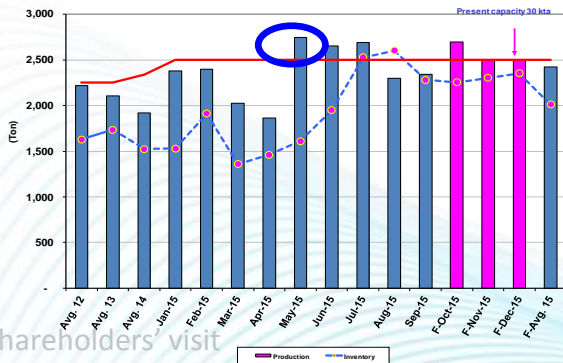
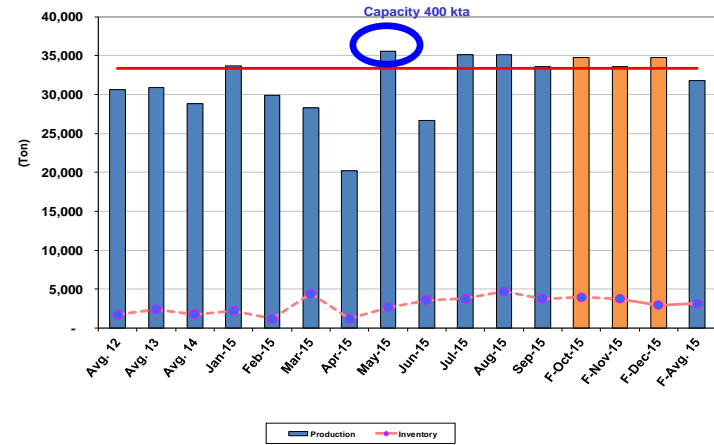
ECH

NaOH



PVCS

VCM



PVCE

**○ New monthly record 2015**

New quarterly record in Q3

- VCM previous record in Q2/08
- PVC-S previous record in Q1/13
- Total PVC previous record in Q1/13

# Manufacturing Excellence

Operating system is managed in association with “Change Agents” to deliver the business objectives with significant financial impacts

- Generate ideas with estimated impacts including ‘quick-win’, prioritize ideas in specific period (3M) called i.e. Wave-1, 2,3...
- **352** initiatives through on-going idea created
- **2** times a week updated ‘*check-in & check-out*’ for a healthy of initiatives in association with Change Agents @ **VINWIN WarRoom**
- First week of new month, update and validate savings according to relevant initiatives, using Wave to report consolidated savings for 3 dimensional impacts (OEE, VC and FC)



**Around 350 MTHB**  
**Gains/Saving (YTD Sep. 2015)**

# Epicerol® Marketing Promotion Intensifies

**EPICEROL®**  
Sustainability begins at the source

- **Epicerol® in Solar Bio!Car**
  - partnership with Cardolite
  - Stuttgart Sep 2015
  - Successful PR with wide audience
- Promotion campaign in **China**
  - in partnership with Sinochem
  - targeting the recognition of clean biobased ECH technology in the next 5Yplan
- **Epicerol® presentation at**
  - Coating Show in Kuala Lumpur
    - Sep 2015
  - JEC in Singapore
    - end Oct 2015
    - Epicerol® received an Award

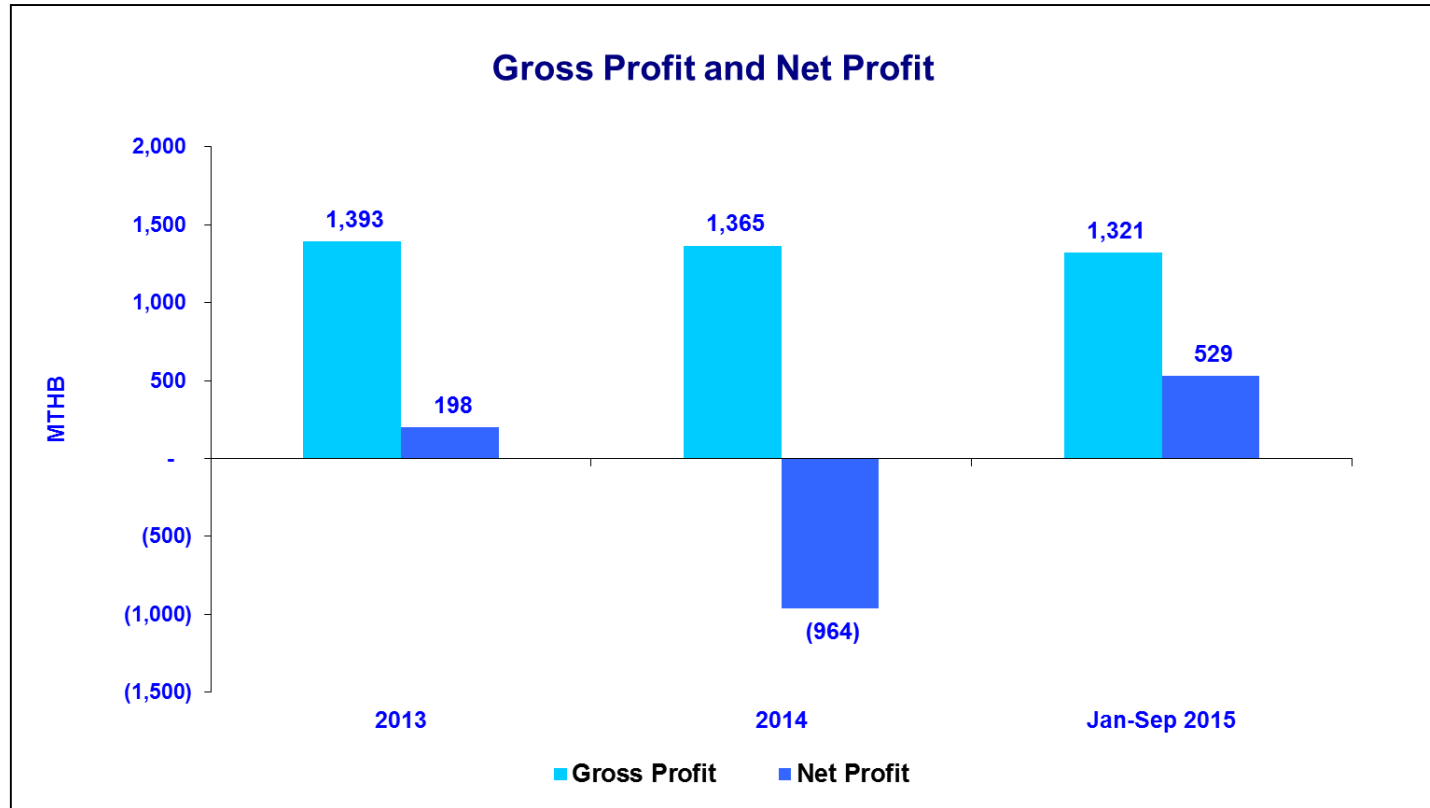




# AGENDA

- Business Introduction
- Safety Performance
- Production Performance
- **Financial Performance**
- Market Outlook 2016
- Excellence Programs 2016
- CSR Highlights
- Awards and Recognition
- Q&A

# Financial Performance - YTD Q3 2015



## BUSINESS HIGHLIGHTS

- Several new quarterly production records in Q3, 2015
- Significantly improve on Q3 PVC margin due to cheaper Ethylene price and THB depreciation against USD
- Improvement on Epicerol margin supported by price premium on bio-based value and cheap Glycerin price
- Assets impairment of SBT amounting 1,365 MTHB were booked in 2014

# AGENDA

- Business Introduction
- Safety Performance
- Production Performance
- Financial Performance
- **Market Outlook 2016**
- Excellence Programs 2016
- CSR Highlights
- Awards and Recognition
- Q&A

# Market Outlook 2016

## VINYLS

- No major turnaround
- Focus on segments where our grades can be sold with price premium
- Overcapacity in China will keep capping prices in the region

## EPICEROL®

- No major turnaround
- Volumes expected to grow at our key accounts (bio-value preference)
- Overcapacity in the region will keep margins under pressure





# AGENDA

- Business Introduction
- Safety Performance
- Production Performance
- Financial Performance
- Market Outlook 2016
- **Exellence Programs 2016**
- CSR Highlights
- Awards and Recognition
- Q&A

# 2016 –Broaden EXCELLENCE Programs

**M**anufacturing  
Excellence plan:  
Targeting the gains  
equivalent to 2015



OEE  
improvement

capacity gains  
with minor  
investments

Variable Costs  
Improvement

- Improve Electricity yields
  - CA; Anode recoating & membrane replacement
  - PVC; Chiller replacement
- H2 recovery
- Steam & condensate

Fixed cost  
improvement

- Maintenance cost
- Logistics costs

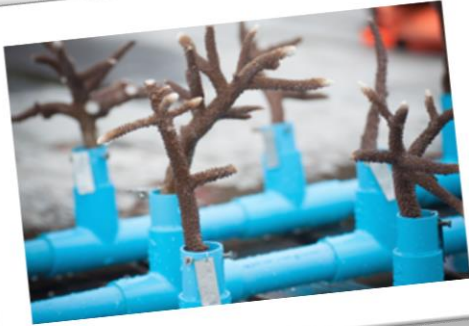
**P**urchasing and Supply Chain Excellence plan

**M**arketing and Commercial Excellence plan

# AGENDA

- Business Introduction
- Safety Performance
- Production Performance
- Financial Performance
- Market Outlook 2016
- Excellence Programs 2016
- **CSR Highlights**
- Awards and Recognition
- Q&A

# CSR Highlights



**Project Progress  
(As of July 2015)**

## 60,534 branches

- Samaesarn, Chon Buri (41,821 branches)
- Kham island, Chon Buri (4,186 branches)
- Samed island, Rayong (5,088 branches)
- Wai island, Trad (5,165 branches)
- Talu island, Prachuap Khiri Khan (4,274 branches)



**Project Progress  
(As of October 2015)**

## Super-Mini Marathon

### Participants

- 2010 ---> 1,100 persons
- 2011 ---> 1,100 persons
- 2012 ---> 1,200 persons
- 2013 ---> 1,230 persons
- 2014 ---> 1,350 persons
- 2015 ---> 1,785 persons

- **Good for Health**
- **Great for Tourism**
- **Generating more income for local community**



**Project Progress  
(As of April 2015)**

## PVC Telescope Promotion Contest

Winning scholarships amounting at 300,000 Baht

- To optimize the given telescopes in sustainable way
- To raise youths and the public's awareness in advantages of science and technology



# Occupational Development and Community Well-being

Vinythai has formed 3 occupational groups and empowered them to develop their skills in producing handicrafts of commercial quality. The Company's support also extends to furnishing professional marketing.



Gossamer Fabric hand-made flowers from Map Kha Map Nai Community



Reused Vinyl Bags from Ban Plong Community



Hand-woven baskets from Soi Ruam Pattana Community



# Community Perception Survey Result

Content	Year					
	2012			2015		
Satisfaction of Vinythai CSR Project	Number of CSR project	Samplings	Satisfaction Rate (%)	Number of CSR project	Samplings	Satisfaction Rate (%)
	6	247	83	8	512	84.46

## Satisfaction of Vinythai's CSR Project and other top 5 competitors

2012

2015

### Comparing Vinythai CSR with other company

- Top 5 such as PTT, SCG etc.

### Comparing Vinythai CSR with other company

- The 3<sup>rd</sup> rank after SCG Chemicals and PTT Global Chemical Public Co., Ltd

### Needs and concerns

- **Social issues:** Burglary
- **Economic issue:** Insufficient income
- **Environmental issue:** Air pollution

### Needs and concerns

- **Social Issues:** Youth and Education, Equality and Community Engagement
- **Economic issues:** More production of goods and service, poverty and financial literacy and jobs and distribution of wealth equitably
- **Environmental issues:** Natural resource and environmental management

### CSR Project needs

- Education support
- Occupation development/support

### CSR Project needs

- **Social issues:** Occupational group development, Community Involvement, Community well-being and STEM Education
- **Economic issue:** Eco-friendly production process and Ecotourism
- **Environmental issue:** Forestation, coral planting and weir construction



# Vinythai Water Management System Using PVC Pipe

NEW

## Objectives:

- To expand water distribution network of the existing water resources to be accessible by communities in remote areas
- To improve the sanitary of consumable water in remote areas

**Potential key partner:** Provincial Waterworks Authority (PWA)  
(MoU signing ceremony will be held by 2015)

## Pilot project

In 2012, the managements and staffs joined hands to extend a network of PVC pipes to improve the water system for watering plants and a football field in Rayongwiththayakhom Nikhom Utsahakam School.



PWA Deputy Governor (center)



# AGENDA

- Business Introduction
- Safety Performance
- Production Performance
- Financial Performance
- Market Outlook 2016
- Excellence Programs 2016
- CSR Highlights
- **Awards and Recognition**
- Q&A



# Standards



International Standards



Industrial Standards



GBCA Green Star Credit

CSR-DIW

ISO 26000



Green Industry L4



Environmental Standards

# Awards and Recognition



**Zero Accident 2015-  
Gold level**



**Safety Workplace  
Award**



**Good Environmental Governance  
Award (Gold & Green Star)**



**Green Meeting Award**



**Energy Saving  
Management Award**



**Energy Saving  
Leadership Award**



# Awards & Recognitions



**Carbon Reduction Certification  
for Buildings**



**3Rs Award 2015”  
and “Zero Waste to  
Landfill Award 2015**



**White Plant Award**



**GMP & HACCP Certificates**

# AGENDA

- Business Introduction
- Safety Performance
- Production Performance
- Financial Performance
- Market Outlook 2016
- Excellence Programs 2016
- CSR Highlights
- Awards and Recognition
- **Q&A**



# Thank You for Your Attention

