



Certificate in ESG Management Program by SET & Sasin

Self-paced online learning program

M1 Module 1 ESG Fundamentals

- S1** Session 1 Introduction to ESG
- S2** Session 2 ESG Management: Environment
- S3** Session 3 ESG Management: Social
- S4** Session 4 ESG Management: Governance

M2 Module 2 ESG Integration Management

- S1** Session 1 ESG Integration Management
- S2** Session 2 Integration - Case Studies

M3 Module 3 ESG Disclosure

- S1** Session 1 ESG Disclosure
- S2** Session 2 Data Management
- S3** Session 3 ESG Performance Assessment and Indices

M1S3

Module 1 ESG Fundamentals

Session 3 ESG Management: Social



Self-paced online learning program



M1S1

Module 1 ESG Fundamentals
Session 1 Introduction to ESG

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Module 1 ESG Fundamentals
Session 2 ESG Management: Environment

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Module 1 ESG Fundamentals
Session 3 ESG Management: Social

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Module 1 ESG Fundamentals
Session 4 ESG Management: Governance

M2S1

Module 2 ESG Integration Management
Session 1 ESG Integration Management

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Module 2 ESG Integration Management
Session 2 Integration - Case Studies

M3S1

Module 3 ESG Disclosure
Session 1 ESG Disclosure

M3S2

Module 3 ESG Disclosure
Session 2 Data Management

M3S3

Module 3 ESG Disclosure
Session 3 ESG Performance Assessment and Indices

Learning Objectives

Course Structure	Learning Objectives
Module 1 ESG Fundamentals Session 3 ESG Management: Social	
1. Social Factors in Business Operation	<p>The learner will be able to</p> <p>Explain the key social issues in business, the impact of business operations on stakeholders, and the importance of managing social issues within the organization.</p>
2. Social Issue Management	<p>Apply approaches to respond to stakeholders' needs and expectations, and manage social issues within the organization as well as develop policies and appropriate measures in areas such as:</p> <ul style="list-style-type: none">• Human rights and Human rights due diligence• Health and safety• Labor standards• Product liability• Privacy and data security
3. Social - Case Studies	<p>Explain lessons from various case studies, such as the key factors leading to success or failure in managing social issues and apply them to one's own organization.</p>

Instructor

M1S3

Module 1 ESG Fundamentals

Session 3 ESG Management: Social (Part 1 & Part 2)

Instructor

Boonwara Sumano, Ph.D.



M1S3

Module 1 ESG Fundamentals

Session 3 ESG Management: Social

- 1. Social Factors in Business Operation**
2. Social Issue Management
3. Social - Case Studies



Social = People = Stakeholders



Key reason why businesses have to consider social impact in their operation: **Stakeholders' expectation**



How can we know what stakeholders expect us to do?
It is easy and should be common sense.

It would be similar to what you expect others to treat you

How Businesses Benefit from Managing Stakeholder Expectations(1/3)

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	Negative Aspects	Positive Aspects
Reputation and Brand Image	<p>Boycott</p> <p>Case: Boohoo Group Plc.</p> <p>Wage Payments: Below minimum wage and other ethical issues¹</p>	<p>Brand Loyalty and Consumer Trust</p> <p>Case: Patagonia</p> <p>Most trusted brands in the United States²</p>

Source 1: <https://www.ethicalconsumer.org/company-profile/boohoo-group-plc>

Source 2: <https://www.cnbc.com/2023/05/31/companies-with-best-us-reputations-patagonia-costco-john-deere.html>

How Businesses Benefit from Managing Stakeholder Expectations(2/3)

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	Negative Aspects	Positive Aspects
Compliance with Laws and Regulations	<p>Complaint (Internal & External) and Lawsuit</p> <p>Case: Donoghue vs Stevenson (1932)</p>	<p>Recognition (Awards and Reputation)</p> <p>Case: Bangchak Corporation Plc.</p> <p>Awarded the 2023 outstanding human rights model organization of the year by the Ministry of Justice ¹</p>

Source: 1 <https://www.bangchak.co.th/storage/document/sustainability/2021/human-rights-due-diligence-en.pdf>

How Businesses Benefit from Managing Stakeholder Expectations(3/3)

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Innovation
and Market
Opportunities
fostered by
social
challenges

Negative Aspects

The Emergence of a 'Race to the Bottom'

If there is an inappropriate working environment, such as in the case of illegal, unreported, and unregulated (IUU) fishing

Positive Aspects

Innovative with the Competitive Edge

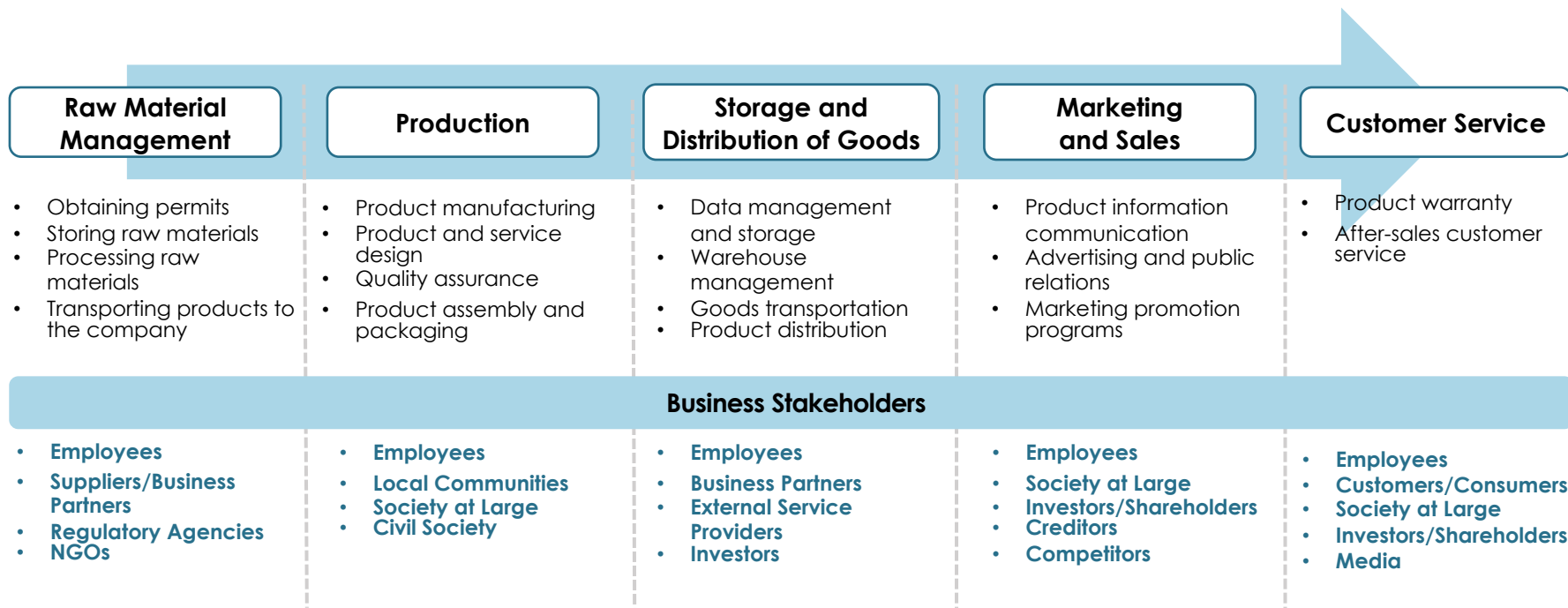
Case: BSCM FOODS CO.,LTD.

Developed high-quality Jasmine rice and distributed it to farmer groups who are suppliers, resulting in a 24% increase in yield and an 18% reduction in costs

Source: 1 <https://www.bangkokbiznews.com/business/731684>

Stakeholders in the Business Value Chain

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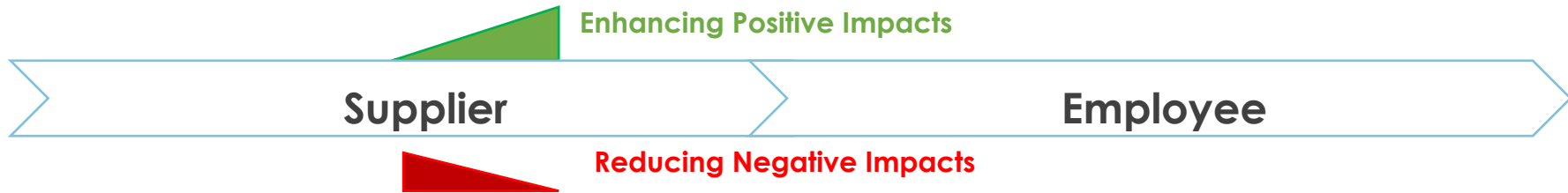


Examples of Stakeholder Expectations

Stakeholder	Expectation
Supplier	<ol style="list-style-type: none">1. Fair Contracts Based on Equality2. Premium Pricing According to Performance3. Support for Production Factors4. Long-Term Relationships that Foster Mutual Benefit
Employee	<ol style="list-style-type: none">1. Equal Employment Opportunities and Fair Hiring Practices2. Equitable Compensation and Benefits3. Objective Performance Evaluations4. Fair Rewards and Promotions5. Effective Communication with Supervisors and Colleagues6. Fair, Efficient, and Transparent Grievance Mechanisms

Examples of Social Impact Management Strategies

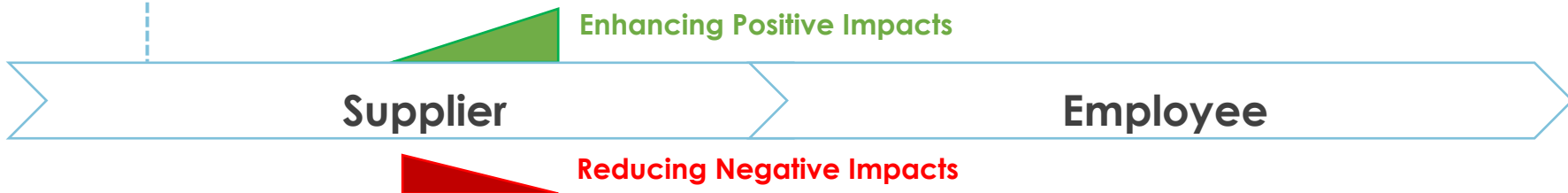
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Examples of Social Impact Management Strategies

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- **Provide Knowledge and Skills for Production to Enhance Quality and Value:** For instance, methods for growing rice that reduce time and increase yield.
- **Support Necessary Production Factors:** Such as seeds, machinery, organic fertilizers, and technology.
- **Offer Fair Purchase Prices:** Prices that are higher than market rates.



Examples of Social Impact Management Strategies

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Enhancing Positive Impacts

Supplier

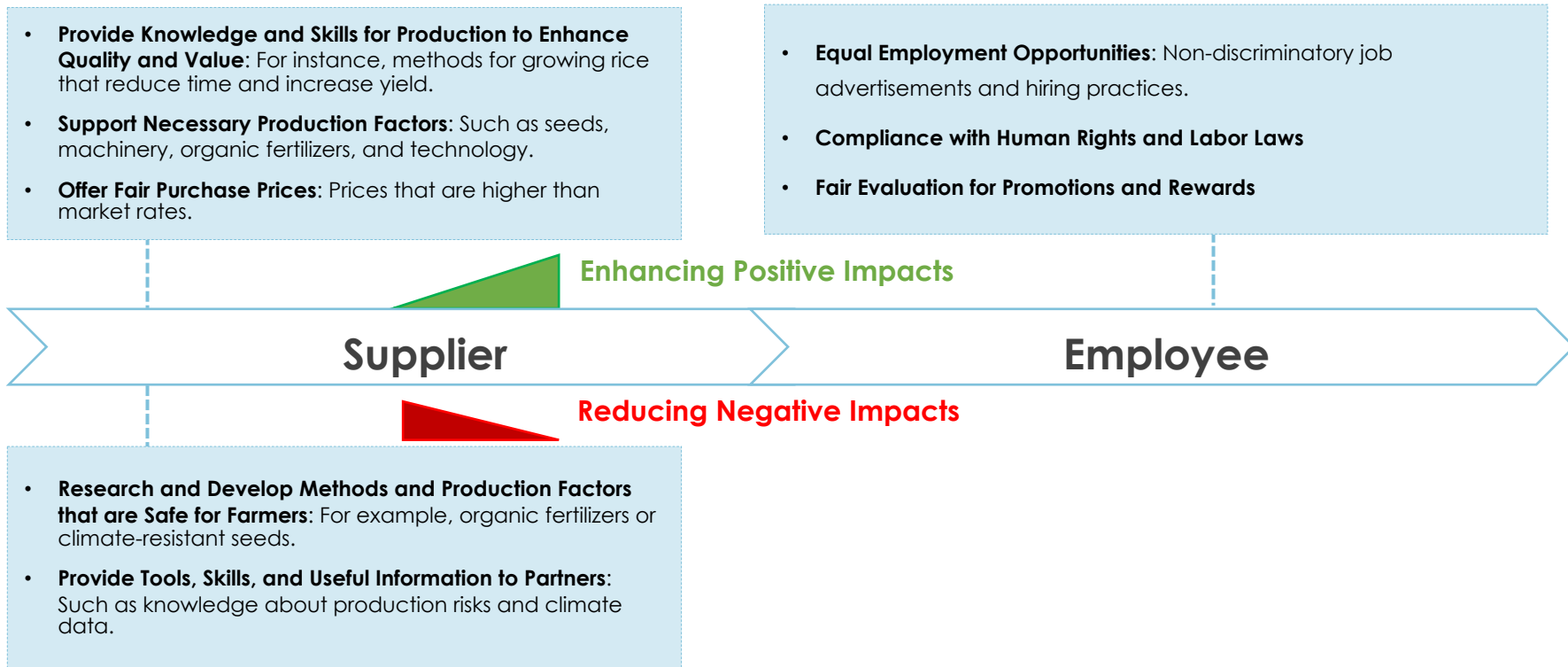
Employee

Reducing Negative Impacts

- **Research and Develop Methods and Production Factors that are Safe for Farmers:** For example, organic fertilizers or climate-resistant seeds.
- **Provide Tools, Skills, and Useful Information to Partners:** Such as knowledge about production risks and climate data.

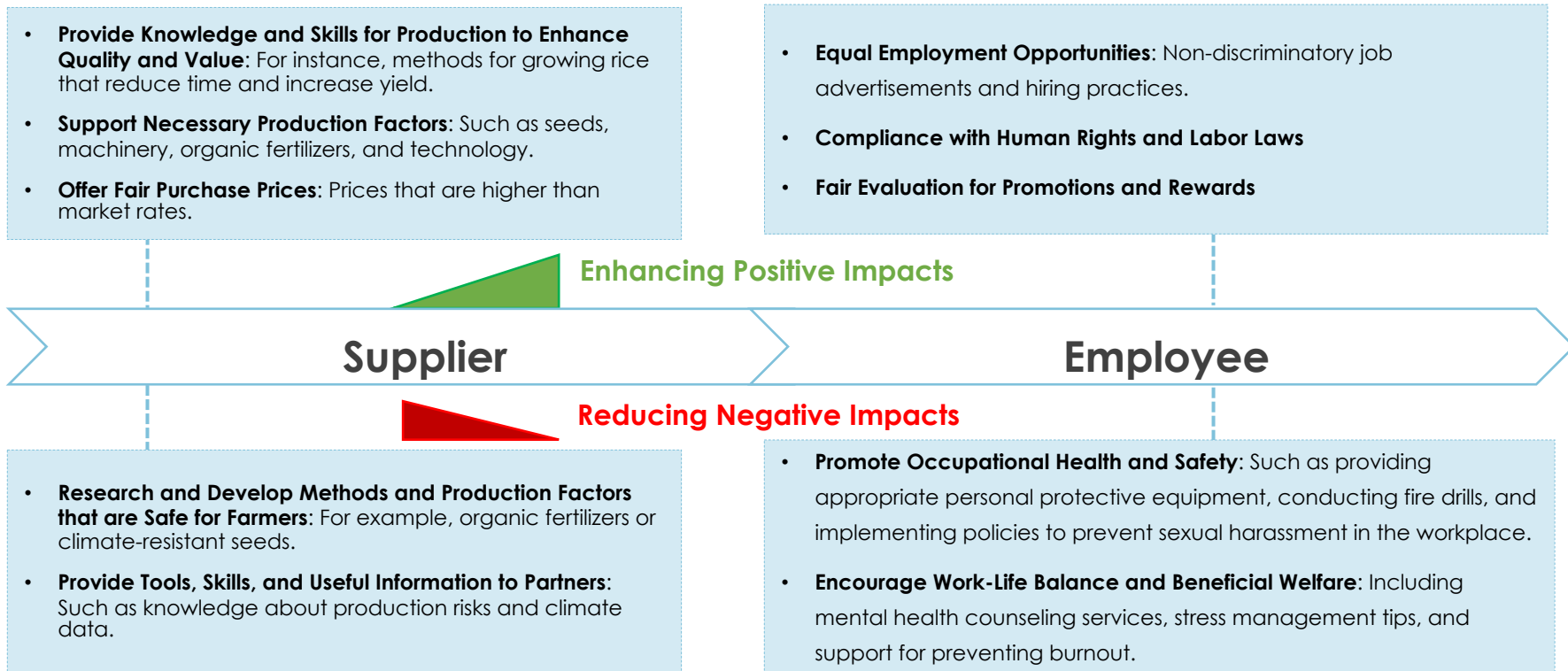
Examples of Social Impact Management Strategies

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Examples of Social Impact Management Strategies

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1. **Social Factors Related to Stakeholder Expectations in Business**
Activities: Awareness and alignment with stakeholder expectations typically rely on common sense and mutual respect.
2. **Managing Stakeholder Expectations:** This can impact a business's brand perception, rewards, and innovation.
3. **Examples of Stakeholder Groups:** Suppliers, employees, consumers, shareholders, regulatory agencies, and civil society organizations (CSOs).
4. **Strategies for Managing Social Impact:** This can be achieved by reducing negative impacts (e.g., promoting health and safety in the workplace) and enhancing positive impacts (e.g., providing essential production factors).

M1S3

Module 1 ESG Fundamentals

Session 3 ESG Management: Social

1. Social Factors in Business Operation
- 2. Social Issue Management**
3. Social - Case Studies

Social Issue Management

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Social Issues to Consider:

These are basic considerations (minimum consideration) that serve as a starting point but should not be used to limit the scope of analysis.

Human Rights

Health and Safety

Labor Standards

Product Liability

Privacy and
Data Security

- Each issue is **interconnected**. For example, health and safety is part of labor standards, while the right to privacy is a fundamental human right.
- Some issues, such as human rights and data security, apply to **all stakeholder groups**.
- Certain issues may target **specific groups**. For instance, labor standards primarily focus on employees and suppliers.
- If a business effectively manages these social issues, it can earn acceptance from society and the community, granting it a Social License to Operate (SLO).



HUMAN RIGHTS means

Human Dignity, Rights, and Fundamental Freedoms: These are inherent from birth, along with the right to **equality**, ensuring freedom from discrimination based on race, religion, gender, skin color, language, ethnicity, or any other status.

- These rights are guaranteed and protected by the highest law, including the Constitution and the UN Guiding Principles on Business and Human Rights (UNGPs).
- The UNGPs outline 31 principles, grouped into three categories:
 - **Protect:** The state must regulate the private sector through laws and standards.
 - **Respect:** Businesses must implement Human Rights Due Diligence (HRDD) to manage human rights risks.
 - **Remedy:** Victims must have access to effective remediation processes.

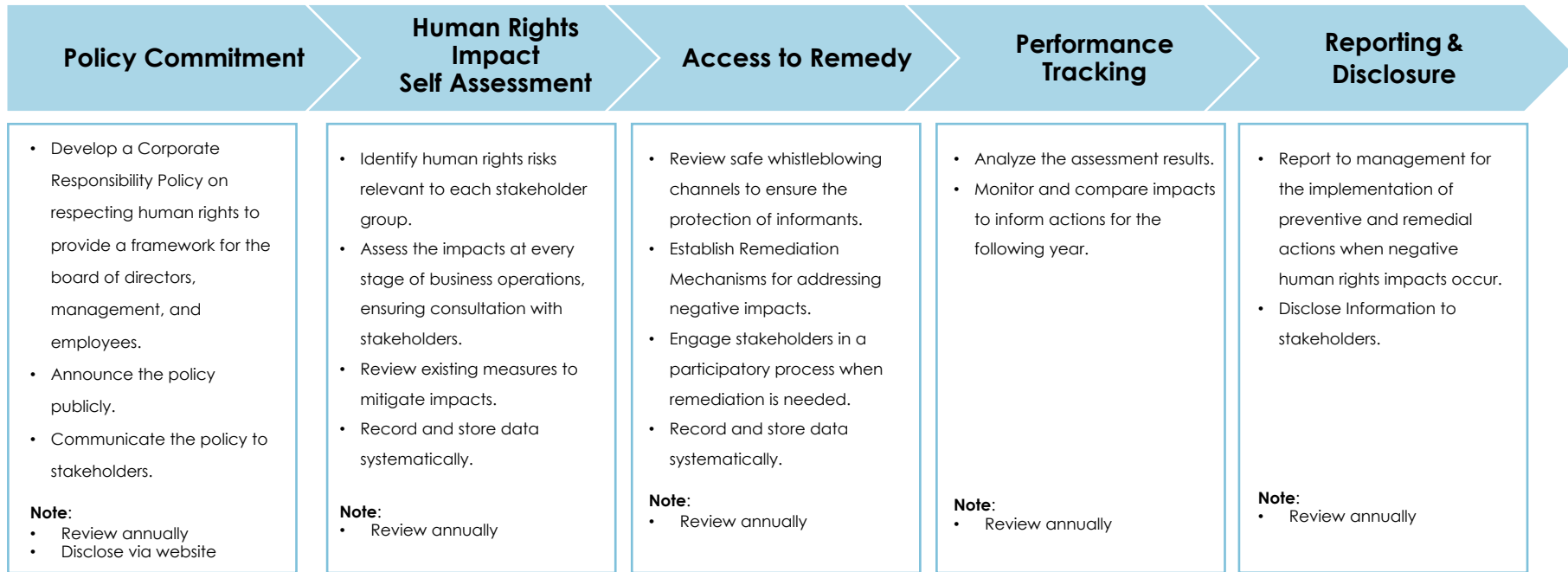
Every stage of business operations can potentially impact human rights, both within and outside the organization.

Therefore, organizations must implement a Human Rights Due Diligence (HRDD) process, which is designed to identify, prevent, and mitigate human rights impacts arising from their operations

Example of Human Rights Due Diligence

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The focus of HRDD is on **risks to the affected stakeholder**, not the business!



Health and safety includes physical and mental health and safety

Occupational Safety, Health, and Working Environment Act B.E. 2554 (2011)

- **“Occupational Safety, Health, and Working Environment”** refers to actions or conditions in the workplace that are free from hazards that could endanger life, physical well-being, mental health, or overall health due to work or related activities.
- Section 6 requires employers to ensure that workplaces and employees have safe and hygienic working conditions and environments. Employers must also promote and support employees' safe work practices to prevent harm to their life, body, mental health, and overall well-being. Employees are required to cooperate with employers in implementing and promoting safety, health, and working environment practices to ensure safety for both employees and the workplace.
- Businesses can apply these principles to their partners (to ensure partners apply them to their own employees) and communities (to ensure safety and mitigate adverse effects from business operations).

Examples of Workplace Safety Measures

1. Emergency Preparedness and Response Protocols: Such as fire prevention measures and protocols for preventing sexual harassment in the workplace.
2. Trained Safety Officers and Safety Committees: Personnel who receive regular training on safety knowledge and skills.
3. Promotion of Physical and Mental Health: Including benefits for sports activities and access to counseling services.
4. Improved Working Environment: Ensuring a safe workspace with adequate lighting, clean water, air filtration, ventilation systems, and a well-equipped first aid kit.
5. Cultivation of a Safety Culture: Such as regular fire drills and safety practices within the organization.
6. Safety Risk Assessments: Including the maintenance and regular checking of emergency equipment, such as fire protection tools and defibrillators.
7. Data Collection and Analysis: Tracking, investigating, and analyzing the causes of accidents or risks to prevent recurrence.

Labor-Related Laws

1. Labor Protection Act
2. Employment Contract Law
3. Social Security Law
4. Compensation Fund Act
5. Occupational Safety, Health, and Working Environment Act
6. Skill Development Promotion Act
7. Quality of Life Improvement Act
8. Labor Relations Act

Thai Labor Standards (MRT 8001) Cover

1. Forced Labor and Human Trafficking
2. Work Compensation
3. Working Hours and Breaks
4. Holidays and Leave
5. Discrimination
6. Discipline and Punishment
7. Sexual Harassment and Violence
8. Child Labor
9. Labor Rights for Women
10. Freedom of Association and Collective Bargaining
11. Occupational Health, Safety, and Working Environment
12. Labor Welfare

Source : <https://www.labour.go.th/index.php/component/seoglossary/1-dictionary/labour-standard>

Examples of Labor Practices

- **Non-Discrimination and Equal Employment Opportunities:** For instance, job advertisements should not specify age, gender, religion, or marital status.
- **Fair Compensation and Benefits:** This includes overtime pay, timely wage payments without burdening employees, and training/development to match employees' skills with job requirements.
- **Fair Evaluation and Reward Systems:** Ensuring performance evaluations and rewards are equitable and influence career advancement opportunities.
- **Support for Occupational Health and Safety:** This includes safety measures both on and off-site, such as transportation and employee housing.
- **Work-Life Balance:** Promoting a balance between work and personal life.

Benefits for Organizations from Implementing Good Labor Practices

- **Enhanced Employee Skills and Motivation:** Leading to increased productivity and contributing to business growth.
- **Reduced Turnover Rates:** Lowering the costs associated with recruiting new employees and saving time on training.
- **Decreased Sick Leave:** Ensuring smoother business operations without interruptions.
- **Attraction of Talented Individuals:** Helping to attract and retain potential employees, which supports ongoing organizational development.

Liability for Damages Caused by Products: Under the Product Liability Act B.E. 2551 (2008)

1

Product and Service Development

- Develop safe products and services that comply with laws.
- Avoid copying or imitating others' products or services.
- Test and trial products and services to ensure they do not negatively impact consumers.

2

Pricing

- Avoid colluding to set prices that exploit consumers.
- Provide complete and accurate pricing information.
- Do not raise prices without justification.

3

Distribution

- Avoid stockpiling goods or monopolizing distribution channels.
- Do not coerce independent retailers to sell only your products.
- Provide fair terms of service to all retailers.

4

Promotion

- Refrain from false or misleading advertising, deception, or defamation.
- Avoid sales tactics that coerce customers into buying unwanted products or services.
- Provide accurate information about products and services, disclosing potential risks.
- Offer clear information on after-sales services, returns or exchanges, and handling complaints.

5

Post-Market Research

- Avoid misrepresenting market research for fundraising purposes.
- Do not provide distorted or incomplete information.
- Do not disclose or use customer research data for personal gain.

Under the Product Liability Act, all operators must share responsibility for damages caused by unsafe products.

Examples of Unsafe Products

1. Products unsafe due to manufacturing issues, such as contamination in packaged food or beverages (Donohue vs Stevenson 1932).
2. Products unsafe due to design flaws, such as vehicles produced with untested new technology.
3. Products unsafe due to lack of proper usage instructions, storage guidelines, warnings, or information, such as incomplete ingredient lists.

- **Privacy** refers to the user's control over personal data (choosing who can access or disclose it).
- **Personal Data** means any information that can identify the user, such as name, birthdate, phone number.
- **Privacy Measures** are systems to manage sensitive data, allowing data owners to control access to their information.
- **Security** refers to the protection of user data.
- **Security Measures** involve designing tools and processes to prevent unauthorized access to data.
- **Social impact data collection** involves people-related data, which must be protected and disclosed appropriately.

Examples of Practices Related to Personal Data Protection:

- Implement a secure and systematic data storage system with multi-level security layers.
- Appoint a Data Protection Officer (DPO) and form a supporting team with representatives from related departments. Their responsibilities include:
 - ✓ Providing advice and guidance on personal data protection
 - ✓ Monitoring compliance with personal data handling procedures
 - ✓ Coordinating with the Office of the Personal Data Protection Committee (PDPC) and personal data owners
- Conduct regular training for employees to raise awareness of data protection laws and their responsibilities

1. Social issues to consider include human rights, safety and occupational health, labor standards, product liability, privacy, and data security.
2. Every business operation can impact human rights, both internally and externally, requiring a Human Rights Due Diligence (HRDD) process that focuses on stakeholder impact, not just the organization.
3. Safety and occupational health must account for both physical and mental aspects, extending beyond the workplace.
4. Having good practices toward employees can help an organization grow by increasing productivity, reducing turnover, and attracting talented individuals.
5. Product liability extends from product and service development to post-sale market research.
6. Personal data protection involves various stakeholders, including job applicants, interns, suppliers, partners, and shareholders.
7. All social impact data involving individuals must be protected and disclosed appropriately.

Instructor

M1S3

Module 1 ESG Fundamentals

Session 3 ESG Management: Social (Part 3)

Instructor

Varanratch Assanupong



M1S3

Module 1 ESG Fundamentals

Session 3 ESG Management: Social

1. Social Factors in Business Operation
2. Social Issue Management
- 3. Social - Case Studies**

Case Study: Asian Alliance International

CHEERS!

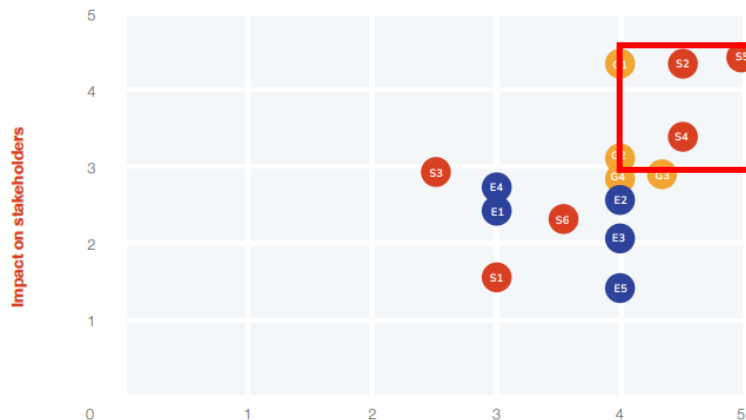
“Sustainability through Responsibility”

Responsibility for

- C**onsumers
- H**uman Development
- E**fficiency
- E**nvironment
- R**ights of Human
- S**takeholders



Sustainability Materiality Assessment Results



Environment (5 Issues)

- E1: Emissions / Air Pollution
- E2: Water and Wastewater Management
- E3: Climate Action
- E4: Waste Management
- E5: Energy Management

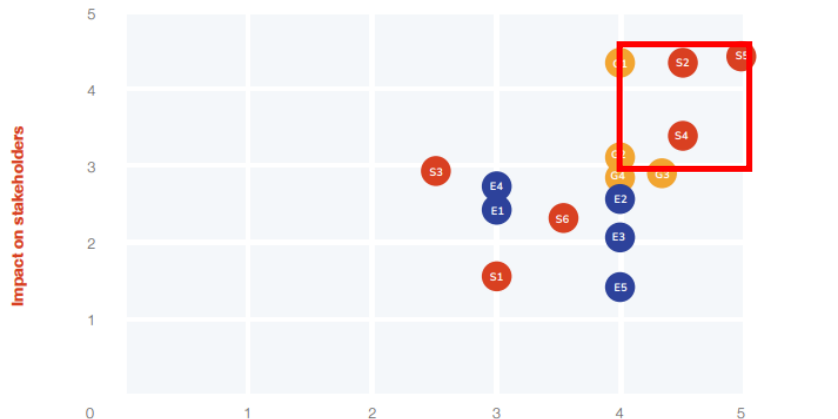
Social (6 Issues)

- S1: Corporate Social Responsibility
- S2: Quality and Food Safety
- S3: Data Security and Privacy
- S4: Responsible Marketing and Product Labeling
- S5: Human Rights and Labor Practices
- S6: Human Resources Management

Governance (4 Issues)

- G1: Corporate Governance and Business Ethics
- G2: Risk and Crisis Management
- G3: Product Research and Development
- G4: Supply Chain Management

Sustainability Materiality Assessment Results



- S5: Human Rights and Labor Practices
- S2: Quality and Food Safety
- S4: Responsible Marketing & Product Labeling



Social Issue Management

- Social Human Rights
- Health and Safety
- Labour Standard
- Product Liability
- Privacy and Data Security
- License to Operate

Environment (5 Issues)

- E1: Emissions / Air Pollution
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Case Study: Asian Alliance International

Adapting Social Dimensions of Business Operations to Align with Changes in International Regulations



EU :IUU



THAILAND: Thai Fisheries Laws and regulations



I. New Fisheries and Marine Laws

- The new Thai Fisheries Laws and regulations can be seen as some of the most robust fishery's laws in the world.
- IUU fishing is recognized as an international crime.
- Punitively high penalty fees of up to THB 30 million (€780,000) or five times the value of the catch obtained, can be applied.

II. Strategic Policy Framework

- III. Overhauled Fisheries Management System
- IV. Robust Monitoring, Control and Surveillance (MCS) System
- V. More Rigorous Law Enforcement & Deterrent Sanctions
- VI. New Enhanced Traceability System
- VII. Preventing Labour Exploitation
- VIII. Proactive International Cooperation

Case Study: Asian Alliance International

EU Regulation

Thailand
Regulation

Corporate
Implementation



<https://asianalliance.co.th/sustainable-development/rights-of-human/>

- Sign a Memorandum of Understanding (MOU) on prohibiting illegal fishing, including refraining from purchasing, importing, exporting, transshipping, or selling aquatic animals and products derived from illegal fishing, illegal labor practices, and human trafficking, between government agencies and fishing business operators.
- Develop labor guidelines for ASIAN Group companies and improving labor-related processes, including planning to align labor practices with the assessments conducted under the SMETA (SEDEX Members Ethical Trade Audit) standards.
- Implement a supplier audit process to ensure no involvement with slave labor or illegal fishing.
- Relocate production processes that previously involved external contractors or intermediaries back to in-house operations.
- Establishing standardized traceability processes.
- Developing information systems to support the necessary process adjustments.

Principles of international human rights organizations adopted by Bangchak in its human rights policy, which must be followed by the board, executives, and employees at all levels

- UNGC: United Nations Global Compact
- UDHR: Universal Declaration of Human Rights
- UNGP: United Nations Guiding Principles on Business and Human Rights
- WEPs: Women's Empowerment Principles

Bangchak recognizes the importance of human rights management in systematic business operation. The Company conducts its businesses by adhering to the rights of all stakeholders including LGBTQ+ group and accepts differences of opinion as well as social equality such as religion, skin color, and ethnicity. To build confidence in doing business with respect to human rights, Bangchak's human rights policy has been established in accordance to the UN Global Compact, Universal Declaration of Human Right (UDHR), United Nation Guiding Principles on Business and Human Rights (UNGP), and Women's Empowerment Principles (WEPs). The Company set a framework on this by setting guidelines for the Board of Directors, management executives and employees at all levels, for the compliance of everyone.

The implementation of the Women Empowerment Principles (WEPs) is a guideline for gender equality under the concept "Diversified energy sources create energy security. Just as diversity and equality strengthens organizations. At Bangchak Group we recognize the importance of gender equality and create a workplace where everyone is truly engaged" and promote this issue, and the company has signed a contract accepting the principles of WEPs.

Sexual Harassment Protection



Case Study: Tata Starbucks



โฆษณา Starbucks เพื่อขับเคลื่อนสังคมให้ก้าวข้ามความคิด “เหยียดคนข้ามเพศ” ผ่านแคมเปญ #ItStartsWithYourName

The increasing popularity of coffee consumption, combined with the campaign's emphasis on diversity and its messaging that acceptance from family is crucial for transgender individuals, has sparked discussions about overcoming gender discrimination. This has led to Starbucks being mentioned frequently online. Aligning with the middle-class coffee consumption trend in India, Starbucks has planned to expand its presence to 1,000 stores within 4 years, up from approximately 390 stores across 54 cities in 2023.

1. For businesses to compete and grow sustainably, they must understand their value chain and the expectations of stakeholders in each group. This understanding enables them to respond promptly and comprehensively to stakeholder expectations and changes.
2. Changing social contexts, including shifts in lifestyles and values, lead to changes in social dimensions. Therefore, organizations must prioritize and consider relevant issues when updating their operational plans to align with business goals. The selection of key issues to address depends on the context and culture of each organization.
3. Employees are a crucial stakeholder group and should not be overlooked. To attract and retain talented individuals and new generations, organizations must focus on sustainability as a core element of their business operations.

You have successfully completed
Module 1, Session 3.

[Go to the next session](#)