

2017

SUSTAINABILITY DEVELOPMENT REPORT

• CREATING POSITIVE IMPACT •



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ABOUT THIS REPORT

Through the last few years, our vision and attitudes have been evolving alongside our actions and dialogues. We have now decided that our 4th annual report will be named “Creating Positive Impact”. This is an evolution from our “Corporate Social Responsibility” and “Sustainability” reports of the past years. This signifies that we are looking forward to creating a change – a positive one – to the world, to the society, the environment, all living creatures and last-but-not-least, our future generations.

We have issued this 4th annual report as part of our commitment to all stakeholders in disclosing the company’s key activities throughout the past year.

Our Code of Conduct since 2007 stated that “COBRA will do business in a socially and globally responsible way. We will strive for standardized, clean and safe working environment, provide secure jobs for employees, and build products that promote happiness and enhance quality of life. We will develop products to be environmentally-friendly using natural resources in a sustainable manner. Apart from this, COBRA will organize further social activities that will create a happy society around us.”

This report covers information on various activities both internal and external during the period January 1, 2017 – December 31, 2017. All information refers to the COBRA group of companies.

REPORTING SCOPE

The scope of this report covers COBRA’s main business as follows:

- Watersport Board manufacturing business
- Watersport Accessory manufacturing business
- Automotive Part manufacturing business
- Composite Structure manufacturing business
- Service and Supporting units

 For an electronic version of 2017 Sustainability Development Report, please visit http://www.cobrainter.com/The_2017_Sustainability_Development_Report.pdf

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COBRA BUSINESS BACKGROUND

In Bangkok on 6th March 1978, Mr. Vorapant Chotikapanich (the company's current chairman and majority shareholder) opened the doors to 'Windglider Thailand'. Having developed early on its own-brand Cobra, the company started its production with light-weight windsurf boards and changed its name to Cobra International in 1985.

In 1987, COBRA also offered OEM, serving the world-wide market for composite watersports equipment, and by 1999 had become the leading manufacturer of windsurf boards with over 50% world market share. During this time, COBRA also expanded its product range to incorporate the significant surfboard and rapidly growing kiteboard markets with the aim of expanding its product line.

In 2005, COBRA entered into the Marine manufacturing business via a joint venture. In 2006, on receiving an initial order from a top-class German Automotive brand, COBRA entered a completely new market as a manufacturer of carbon parts for premium cars. Whilst diversifying its product range into both Automotive and Marine markets, and further into Luxury Accessories and Composite Structures, COBRA has never lost focus on its core business of Watersports. In 2009, stand-up-paddle boards (SUP) were introduced to the market, and COBRA immediately took the opportunity to become the world's leading player in SUP manufacturing.

Today, with its state-of-the-art production facilities of approximately 100,000 m², experience in product design, and consistent manufacturing quality, COBRA is recognized as a key composites partner to the marine, automotive and other sectors, whilst retaining its reputation as the world's leading manufacturer of watersports.

CORPORATE PROFILE

| | |
|-----------------|---|
| Established | 1978 |
| Location | Amata Nakorn Industrial Estate, Thailand (70 km South-East of Bangkok) |
| Employees | Over 2,300 dedicated employees |
| Production Area | 100,000 m ² |
| Quality System | ISO 9001:2015 ISO/TS 16949:2009 (Automotive) |

For additional information of COBRA group of companies, please visit www.cobrainter.com

COBRA International announces 40 years anniversary with celebrations being held at JEC World 2018



5th February 2018, COBRA International, Chonburi, Thailand. 2018 will be a year of celebrations for COBRA International Co. Ltd. (COBRA). The leading manufacturer of composite Water Sports products, and a globally respected supplier of Strong, Light and Beautiful composites for the Automotive, Architectural, Transportation, Marine and Luxury markets, will celebrate its 40th Year anniversary throughout 2018.

The company will celebrate this major milestone at JEC World 2018. They will also host a series of internal and external initiatives throughout the year, including the Composites Asia 2018 Conference in June, and the publishing of an in-depth report covering its 40 Key Projects and 40 Key People that were integral to the company's tremendous growth.

At JEC World, COBRA (Stand E28, Hall 6) will highlight a 40-year timeline showing its key milestones, as well as displaying exhibits that demonstrate its full range of technologies and capabilities. These include an example of the latest technology in hydro foiling electric surfboards, a range of premium Automotive components and architectural composite panels with decorative finishes.

The COBRA story began in the garage of a house in central Bangkok in March 1978 when Vorapant Chotikapanich, one of the founders and current company chairman, began building windsurf boards for the Windglider brand. The COBRA brand appeared a few years later, with the legendary King Cobra board putting COBRA on the world map as a manufacturer of lightweight advanced composite windsurfing boards.

17 years later, the company had grown significantly and moved their focus to supplying large OEM's with composite sandwich water sports equipment and by 1999, COBRA had become the leading manufacturer of windsurf boards with an 80% world market share.

In 2006, with a growing reputation for the supply of high quality composite components and exceptional finishing craftsmanship, COBRA successfully launched its Automotive business, with COBRA Advanced Composites (CAC) beginning to supply lightweight serial carbon fibre parts to premium Automotive and Motorcycle brands.

Today, COBRA, with its ongoing investment in research and development and its state of the art 100,000m² production facilities (including a multimillion baht finishing plant that is setting the standards for Automotive composites in both Europe and Asia) provides a One-Stop Shop for the serial production of Strong, Light and Beautiful composite products. As a result, the company is now recognized as the world's leading manufacturer of composite water sports products and a key global supplier of composites components into the Automotive, Architectural, Transportation, Marine and Luxury sectors.

Comment's Danu Chotikapanich, CEO, COBRA: 'This is an outstanding achievement of which we are very proud. From a small supplier of our own brand windsurf boards, we have grown to be the leading manufacturer of boards for all water sports markets and a globally respected supplier of Strong, Light and Beautiful composites. We are very much looking forward to the next 40 years and beyond!'

Sustainability Development

“COBRA will do business in a socially and globally responsible way. We will strive for standardized, clean and safe working environment, provide secure jobs for employees, and build products that promote happiness and enhance quality of life. We will develop products to be environmentally-friendly using natural resources in a sustainable manner.

Apart from this, COBRA will organize further social activities that will create a happy society around us.”

COBRA’s Code of Conduct, 2007

Throughout its 40 years, Cobra group of companies’ (“COBRA”) long term direction has been to move its Sustainability Development forward through Product, Process, and Happy Workplace perspectives. A significant move was in 2000 when COBRA moved its operation to Amata Nakorn Industrial Estate (“Amata”), one of the leading industrial city development.

“Reliable utilities and a supportive infrastructure are the backbone of an industrial park. Without them companies within the estate will be unable to operate. Amata recognizes this reality and takes steps to insure that what it provides goes beyond the basics so that its customers are insured of an operating environment that is safe, secure, reliable and a pleasant place in which to work” (source: www.Amata.com)

As part of its strategy, COBRA is putting R&D budget into innovating environmentally-friendly products and minimizing production pollution while developing its human capital not only in work-related competencies, but also in physical and spiritual health through Happy Workplace, a campaign launched in 2006 by the Thai Health Promotion Foundation to create delightful atmosphere in workplaces which is one of our fundamental business principles.



At COBRA, we are creating positive impacts in 3 areas as follows:



1. Product

Believing in the concepts of “Cradle-to-Cradle”, COBRA is developing materials through the years with our key partners, to be used in making our products more environmental-friendly. Although we have identified and utilized several materials alongside the technical and biological cycle, we are unfortunately still many steps away from declaring a full C2C product.

2. Process & Facility

Throughout its various production lines, COBRA has been working on different types of “Process” built-into the production line. This ranges from implementing electricity savings, switching to alternative energy, providing opportunities for challenged employees, efficiently managing waste, to expanding its green area.

3. Happy Workplace

COBRA has adopted early on the Happy Workplace program promoted by Thai Health Promotion Foundation (ThaiHealth). The program covers 8 areas as follow:

- Happy Body : Enjoy good health in one’s body and in one’s mind
- Happy Heart : Show kindness and sympathy for oneself and for others, be generous
- Happy Relax : Know how to relieve stress from work and life
- Happy Brain : Improve one’s knowledge through learning
- Happy Soul : Have good sense of moral and faith
- Happy Money : Manage personal finances well
- Happy Family : Create understanding and stable environment in one’s family
- Happy Society : Support one’s community at work and at home. Promote social harmony and sustainable environment



1. PRODUCT

COBRA's journey to sustainable products has started when its current CEO, Danu Chotikapanich, first visited Prof. Michael Braungart's office in Hamburg in 2004 and learnt about the Cradle to Cradle concept. The incorporation of sustainability guidelines into its code of conduct in 2007 officialized the program internally.



2009

Innovation Awards Environment & Recycling

In 2009, COBRA has joined forces with the French technical textile specialist Porcher Industries to develop a surfboard using high-performance renewable cellulose reinforcement Greenlite™ as an alternative to glass fiber. These pure-cellulose based fibers are bio-based and bio-degradable.

With this development, COBRA and Porcher Industries have received the 2009 JEC Innovation Award.



Coco Mat 2010

In 2010, COBRA launched the Coco Mat technology for NSP surfboards which immediately become a market favorite.

The natural Coco-fiber sandwich shell wraps the closed cell EPS core. It is then vacuum molded with clear epoxy resin and finished with a clear, fluid matt performance skin.

The Coco-fiber is very light compare to fiberglass and with its thickness, created a micro-sandwich skin each side of the board. This resulted in a surfboard that is lighter than any other technology used.

Every Coco Mat board is unique, with a natural look and will perform like no other. To date, COBRA has made 10s of 1,000s of these Coco Mat boards.

Bio-Based Surfboard 2015

Their journey continued and in 2015 COBRA excited the world with an accomplishment of different surfboard developments achieving 40% bio-based content by weight by using bio-based reinforcements and sandwich materials (i.e. cork, flax fabric, or banana fiber) together with 56% bio-based epoxy and water-based paint.



01 Cork core sandwich board 100% Environmentally Friendly

A 100% natural, sustainable and recyclable material, cork oaks have unique ability to absorb CO from the atmosphere. It is estimated that the cork oak forests can absorb up to 14 million tons of CO per year. It helps to control erosion, regulates the hydrological cycle and contributes to fighting global warming.

02 Flax fabrics board “Ideal composites reinforcement material, not only green but also high-tech”

Flax fibers can be combined with standard or bio-based resin. COBRA can offer a complete solution for your bio-based composites. Flax fibers are grown in Europe (85% of the world production) and around 90,000 hectare are cultivated every year. The low density of flax fiber makes it nearly twice as light as glass fiber. It also has a better fatigue property compared to glass fiber. The drapability and mechanical performance of these fabrics are tailored to fit modern composites manufacturing. All yarns are perfectly aligned and do not crimp. Non crimp from AmpliTex® fabrics result in the strongest and stiffest natural fiber composites currently on the market. A low level of energy is consumed in the production of the fibre (just 1/10 that of glass fiber).

03 Banana Fiber board “Biodegradable material”

Banana fiber is a natural bast fiber. It has individual physical and chemical characteristics and many other properties that make it a fine quality fiber. Appearance of banana fiber is similar to bamboo or ramie fiber, but its fineness and spinnability is better than the two. It is a highly strong fiber, has low elongation, and is low weight which makes this material suitable for composite application. It is biodegradable and has no negative effect on the environment and thus can be categorized as an eco-friendly fiber.



The resin system is made out of high-content of carbon from independent laboratory using carbon 14 measurement. The system obtains a rate of 56% of the molecular structure from plant origin. This percentage is function of the origin of the carbon contained in the molecule.



Innovation Awards Sports & Leisure 2017

At JEC Asia 2017, the international textile group CHOMARAT received a JEC Innovation Award in the Sports & Leisure category for its C-PLY™ Hexagonal with visual & structural stitching.

“CHOMARAT provided NEILPRYDE and COBRA with its C-PLY™ Non-Crimp Fabric (NCF) technology to help them manufacture an innovative windfoil board, and we are very proud to be rewarded, along with our partners”, says Pascal JOUBERT DES OUCHES, Sports Equipment Market Director at CHOMARAT.

Today, our material offering that are ready for mass production includes:

| Material Type | Bio-based | Recycled |
|------------------------|---------------------------------|---------------------------|
| Fiber | Coco Mat, Flax, Wood Veneer | |
| Resin | Up to 56% bio-based epoxy resin | |
| Core and Foams | Bio-based | Recycled EPS, PET |
| Insert and accessories | Bio-based | Various recycled plastics |

While we are still further developing with suppliers the following materials:

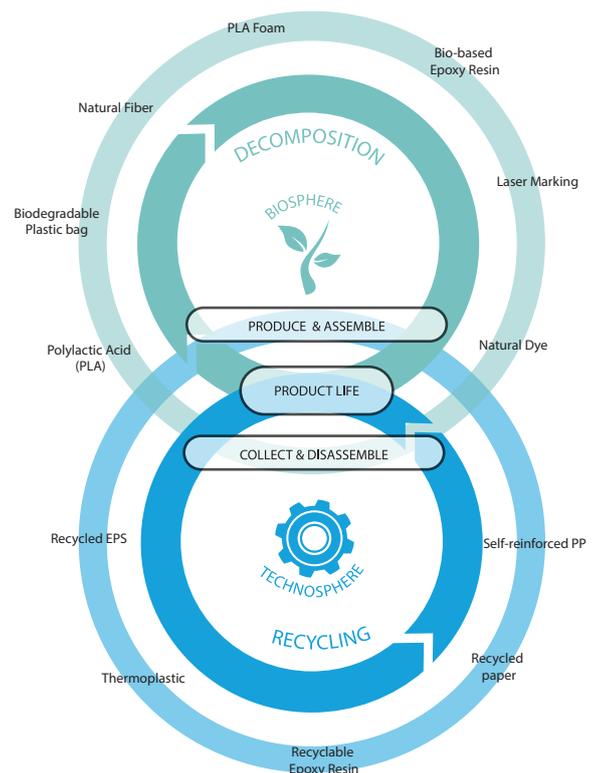
| Material Type | Bio-based | Recycled |
|------------------------|--|------------------------|
| Fiber | Kenaf, Hemp, Silk, Banana, Pineapple and other natural fiber | |
| Resin | Higher % bio-based epoxy resin | Recyclable epoxy resin |
| Core and Foams | PLA foam | Recycled Foam |
| Insert and accessories | PBT Plastics | |

Cradle to Cradle Diagram

Environmentally Sustainable Materials and Products in a Cradle-to-Cradle Life span

“ For any material or product to be fully environmentally sustainable according to the ‘C-2-C Life Span’ Certification Board, all materials must be free from toxicity, contain no or little PVC, chloroprene or other banned chemicals. The materials must not leach problematic chemicals during their life cycle and must optimise any problematic chemicals used that can not be avoided so they are as non-polluting as is feasible. When materials are recycled this must include all their technical nutrients and when materials are disposed of it should be possible to compost as many biological nutrients as can be done ”

Source: environmentally sustainable clutter free living



2. Process & Facility

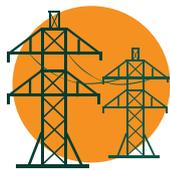
COBRA has a business operation policy relating to responsibilities for community, society, and environment regarding safety, quality of life, and environmental concern. COBRA runs its operation in compliance with government rules and regulations focusing especially on the environment standard. Throughout its production facilities, COBRA, with the commitment to build awareness of social responsibility amongst its staff, has been working on various types of “Process” built-into the production line. The key ones are shown below.



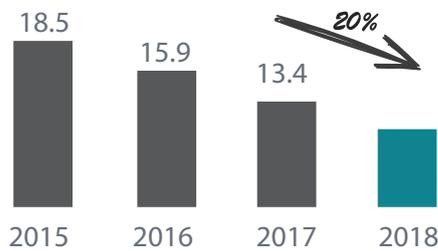
2.1 Energy Reduction Program

2.1.1 Electricity

COBRA encourages its employees to use energy efficiently. The company set up a cost control committee, consisting of maintenance and other key functions, to oversee all cost-related activities throughout the Cobra group of companies. The monthly electricity cost during 2015 – 2017 is shown below:



Electricity Consumption
(Millions KWh)



From above, through various electricity cost savings programs, we saw some good results in 2017. The activities include changing from normal lights to energy-saving LED lights, installing MESS, installing heat pump, change electric fan motor, reducing size of machines and pumps to consume less energy, and so on.

| | 2017 | 2018 | |
|----------------------------|-------|-------|---------|
| LEDs Installed | 3,000 | 890 | Bulb |
| Install Heat pump | 11 | 23 | Machine |
| Install Air Condition | - | 40 | Set |
| Install VSD Air Compressor | 1 | 4 | Set |
| Install Ultra MDB | 3 | 1 | Set |
| Install MESS | 57 | 132 | Set |
| Install Power C MDB | - | 14 | Set |
| Install Motor Blower | - | 20 | Set |
| Change Electric Fan Motor | - | 1,600 | Unit |
| Install Vacuum Motor | - | 31 | Set |
| Install Air Cool Chiller | - | 31 | Set |



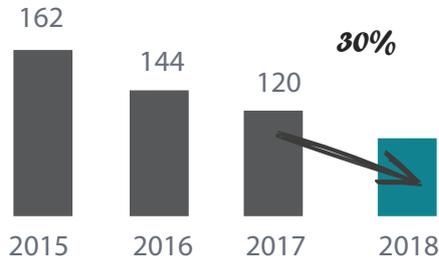
2.1.2 Water

Water plays an important role in our manufacturing process specifically as the dust control mechanism. Additionally, we use water for a variety of purposes such as the heating system and cleaning our facilities to ensure the high level of product quality.

Currently not only reducing the water usage is one of our top priorities, we also aim for improving the quality of waste water before it is released back to the Amata Nakorn Industrial Estate's system.



Water Consumption
(Thousands M³)



Water Savings Program

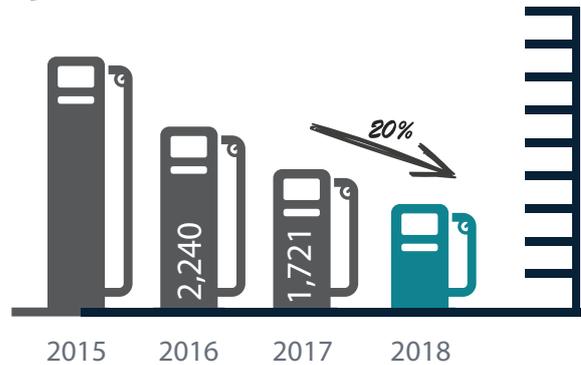
| | 2017 | 2018 | |
|---------------------------------------|------|------|-------|
| Reduce Tank Pressure | - | 15 | Point |
| Upgrade Sanitary Ware | - | 10 | Point |
| Install Automatic Faucets | - | 49 | Point |
| Install Consumption Monitoring System | 23 | 26 | Point |
| Move up the water pipe | 10 | 2 | Point |

2.1.3 Gasoline

Gasoline, as a part of our Energy Reduction Program, is used for transportation between operational facilities. The usage is reduced by the size of transportation vehicles because the smaller ones serve the same purpose with very much less gasoline.



Gasoline Consumption
(Liter)



Gasoline Savings Program

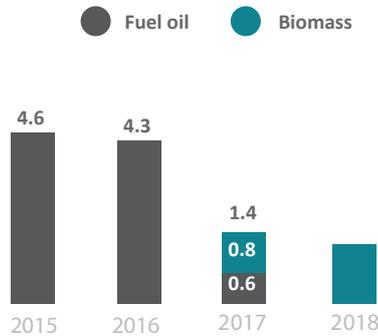
| | 2017 | 2018 | |
|-------------------------------|------|------|-----|
| Replace Pick-up with Tricycle | 1 | 1 | Car |





2.1.4 Biomass

Fuel Oil and Biomass Consumption
(Millions of THB)



Biomass Savings Program

| | Plan for 2018 |
|----------------------------------|---------------|
| Sourcing Material (Price & Heat) | ✓ |
| Upgrade Boiler Parts | ✓ |
| Heat Recovery System | |
| • Form Foam Injection | ✓ |
| • From EPS | ✓ |

In replacing fuel oil, we are using Biomass which is more environment-friendly.

Wood-fuelled heating systems, also called biomass systems, burn wood pellets, chips or logs to provide warmth in a single room or to power central heating and hot water boilers.

A stove burns logs or pellets to heat a single room- and may be fitted with a back boiler to provide water heating as well. A boiler burns logs, pellets or chips, and is connected to a central heating and hot water system. A wood-fuelled biomass boiler could save you up to THB 4 million a year compared to fuel oil.

Advantages of Biomass Energy

1. It's a renewable form of energy

Biomass energy is considered a renewable form of energy because the organic materials used to produce it are never-ending. The organic materials including wood, crop waste, garbage, sewage sludge, and manure are continually produced by society. In a nutshell, regrowth of these organic materials supports the fact that biomass is renewable.

2. It's carbon neutral

Biomass energy takes care of this since it is a natural part of the carbon cycle as opposed to fossil-based sources of fuel such as oil, natural gas, and coal.

3. Widely available

Just like sun and wind energy, biomass energy sources are bountiful in supply. You can find them virtually in every nook and cranny of the world. The fact that it's bountiful in supply means that we may never encounter problems that we are presently experiencing with fossil-based sources of fuel. Nonetheless, it's vital that we maintain the abundance of this natural resource by being responsible in its use.

4. It's cheaper compared to fossil fuels

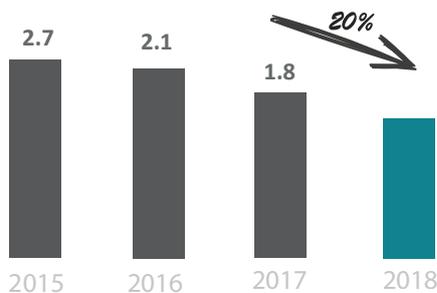
Producing biomass energy does not involve heavy capital outlay. Fossil fuels production, on the other hand, involves high upfront capital costs such as drilling to reach oil wells, constructing gas pipelines and collection of biomass fuel.

Source: Conserve Energy Future.com

2.2 Efficient Waste Management

Waste management is one of the topics COBRA has been focusing heavily on over the past few years. In the first quarter of 2015 we improved the waste area by building a completely new 2,400 m² waste station. The objective was to be able to manage the waste and pollution from it in an organized area in order to lessen existing pollution, create an organized waste management system, create a better atmosphere inside the company as well as to have an environmentally-friendly workplace for our staff.

2.2.1 Non-Toxic waste (Thousands of Tone)



From above, through various program in 2017, we have reduced waste by 14.3%.

2.2.2 Recycle waste



Recyclable Waste

| | | 2016 | 2017 |
|------------|-------|--------|--------|
| Paper | kg. | 41,636 | 29,825 |
| Paper Core | kg. | - | 10,540 |
| Iron Scrap | tone | 37 | 112 |
| Foam Scrap | tone. | 227 | 144 |
| Plastic | kg. | 5,230 | 6,851 |
| Tank | unit | 9,300 | 3,583 |

Waste Reduction Target 2018:



20%

Less Non-Toxic Waste
Generated in 2018



20%

Less Recyclable Waste
Generated in 2018

To effectively manage waste separation, we built 2,400 m². waste station. The new waste station consists of 7 separate sections with each section storing specific types of waste ranging from EPS foam, paper cartons, different kinds of plastic material to aluminum foil. The floor of the new waste station was lifted up to avoid flooding which could cause more pollution.

In summary to effectively manage waste, we clearly separate them into 3 groups as follows:

1. Toxic waste to be managed by 3rd party waste specialists
2. Recyclable waste to be recycled for either re-use within the company, or sell to 3rd parties
3. Non-toxic waste to be sent to related party for a proper landfill

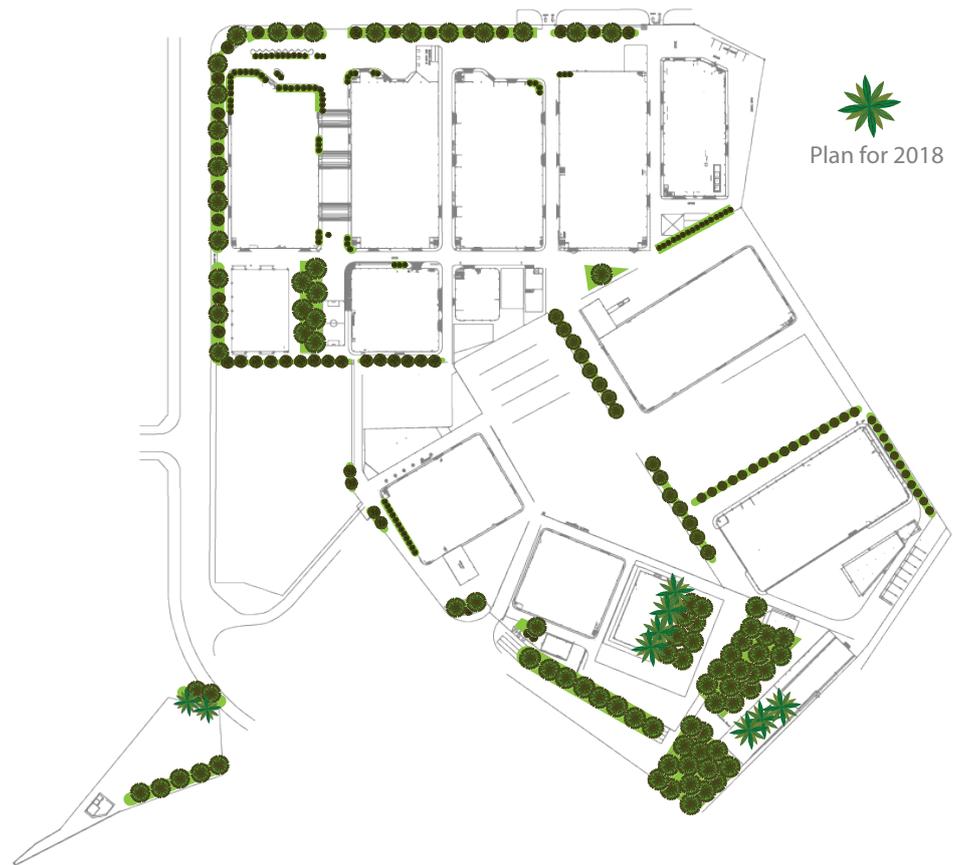


2.3 Green Area

Since 2015, COBRA has encouraged its employees to build and maintain green spaces in the designated areas throughout the company. The participation of the employees was very well received.

Objective

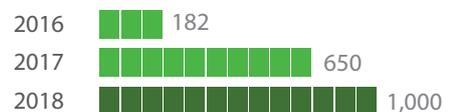
- Create better atmosphere for employees in the factory.
- Reduce carbon footprint of factory.
- Reduce overall heat in the factory.
- Reduce electricity cost related to air conditioning, fan-utilize natural light.
- Utilize rain water, manage waste water.
- Utilize waste to generate fertilizer, etc.
- Manage solid waste.
- Create a biosphere also including animals.



Green Area (M²)



Perennial Plant (Tree)



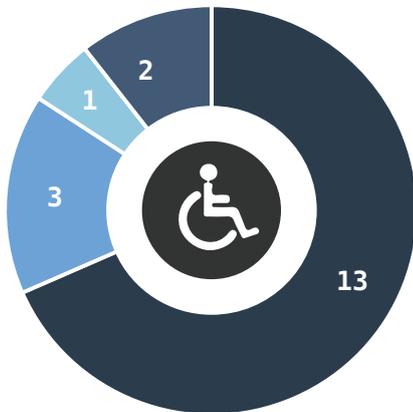
2.4 Opportunities for People with Disabilities



At COBRA, we consider human capital to be one of our core assets. We are committed to developing career path for all our employees, including providing opportunities for those with disabilities.

Today, we integrate 19 people with disabilities in various areas throughout the facilities from supporting units, warehouse, to main production lines.

Mr. Prayool Phonsan
General staff, Store Department
Movement disability
Has been with COBRA since 2012



- **Mobility**
Serious difficulty walking or movement
- **Hearing**
Serious difficulty hearing
- **Cognitive**
Serious difficulty concentrating, remembering or making decisions
- **Vision**
Serious difficulty seeing

In total, COBRA has **19** challenged employees

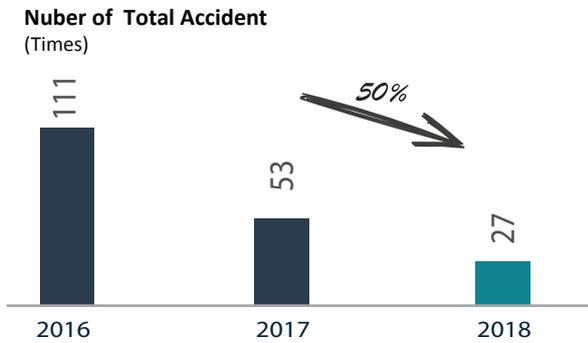


2.5 Safety

2.5.1 Number of Accident

With the efforts to make Cobra a safe place to work, we have heavily implemented many safety activities.

From above, as a result, the number of total accident came down by 52.3% in 2017.



2.5.2 Zero-Accident Competition



COBRA organizes a zero-accident competition for its factory-based subsidiaries of Watersports, Automotive, Marine, and Accessories business units. In 2017, the reward went to CAC, the Automotive business unit, for a straight 1,730 days without any single accident with lost time. This high-level of commitment regarding safety has been one on the key focuses among the companies of COBRA.

A photograph showing a man in a green batik shirt leaning forward to present a glass to a group of people. The group includes a woman in a blue and orange floral batik shirt who is smiling. The background shows other people and a building with windows. The scene appears to be an outdoor social gathering or event.

3. Happy Workplace

Happy workplace is a process designed for developing its human capital strategically according to the company's vision in order for the company to be able to cope with changes, both internal and external, which will lead to a sustainable business growth. COBRA considers its human capital as the most important asset and, therefore, has created various programs for developing its human capital using activities.

3.1 Happy Body

Good health leads to happy life. COBRA has continuously supported many activities relating to better health as showed below:

Watersport Championship

Being the manufacturer of Watersport boards for Windsurf, Surf, Stand-up-paddle and Kite, COBRA encourages its employee to participate in these sports at the annual Watersport Championship. One of the key objectives is to improve employees' quality of life through sports and get-together event.



Mr. Danu Chotikapanich, our group CEO, gave an opening remark at the 2017 Watersport Championship.



Amata Sports Day

As part of the Amata Nakorn Industrial Estate (“Amata”) sports day, COBRA has been supporting and participating in this event since its inaugural event.

- Sepak Takraw (Men): 2 Teams, 10 players
- Table tennis men’s singles: 2 players
- Football (Men): 1 Team, 22 players

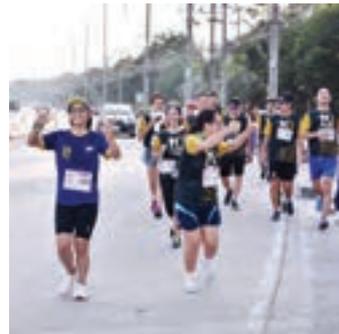


COBRA’s Cup

In promoting a better work-life environment, COBRA has organized a futsal competition with an objective to create awareness of good health through sports.

18 Futsal teams

238 players



10th Amata Mini Marathon

Another sport event organized by Amata Nakorn Industrial Estate. 15 COBRA employees participated in this 10th Amata Mini Marathon. This event was held on November 26, 2017 at Amata Nakorn Industrial Estate with more than 4,000 runners.

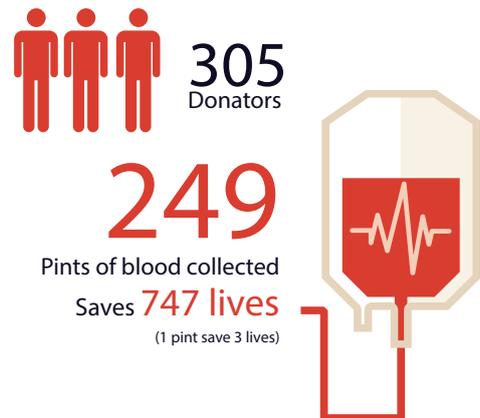
This event combined sports with social responsibility for the local communities and schools. Fund raised through sales of ticket will be donated to improve and repair school buildings in Chonburi, Thailand.

3.2 Happy Heart

Social sharing makes a better living society. By giving back to the society, COBRA organizes many programs as shown below:

Blood Donation

It has been a long tradition for Cobra to organize a “Donating Blood saves Lives” event on a quarterly basis. 2017, as always, was another successful year with warm participation from Cobra staff.



Child Sponsorship

The Company is committed to pursuing sustainable business practice while working to realize a better future for Youth. The Company also undertakes community engagement activities in fields where it is best able to do so to help address the needs of our children. Besides the education scholarships the company has regularly given to employees' children, COBRA also provide education sponsorship for disadvantaged children in Chonburi and also remote areas.

As with other CSR programs, we are committed to creating a better society by offering those disadvantaged children the opportunities as well as financial support to pursuit their higher education.

Today, we provide 8 child sponsorships to YWCA organization and 3 child sponsorships to World Vision organization.



Calendar donation

Every year, COBRA collected old calendars, snacks and toys and donated to local schools with the intention to use as a teaching material for blind children.



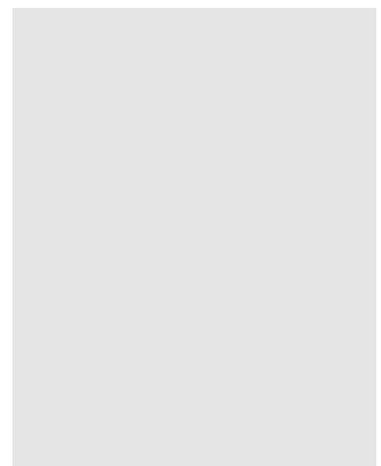
Farewell Party

COBRA has been throwing a farewell party, as part of our culture, for our staff for their commitment and long years of service. On December 19, 2017, a total of 3 retiring employees were invited to the farewell party to be thanked by the company.



Employee with Excellent performance Award

Cobra awarded its staff as the recognition of their long and valuable service (excellent performance). In 2017, a total of 369 staff were awarded.



3.3 Happy Relax

Our employees are the most important resources. The company is always aware that employees' relaxation is necessary not only for themselves, but also for their working performance. Consequently, we organize "Thank you" parties and invite our employees to join these celebrations.



Thank you party

Thank You Party is held annually around year-end to flourish the corporate relationship amongst the staff and management team. In 2017, 1,400 people joined the Thank You party event with various shows and lucky draws given out to staff.



3.4 Happy Brain

Knowledge is one key attribute to self-improvement. To be a professional, we all need to go through learning processes. We at COBRA are committed to providing knowledge to the society as much as we can with the following programs:



A group of students together with COBRA staff completing the Formula car



Student Formula Sponsorship

Since 2010, COBRA has been sponsoring the Student Formula projects from many leading Thai universities (e.g., Chulalongkorn University, King Mongkut's University of Technology Thonburi, Thai-Nichi Institute of Technology, etc.).

The main purpose of this project is to build a mini-formula car for the TSAE Auto Challenge organized by the Society of Automotive Engineering Thailand (TSAE).

COBRA provides assistance to the students participating in this project in terms of location for production and testing, raw material for making various parts of the car, tools and equipment as well as technical support from our experienced engineers and technicians.





A group of professors from BOI and Thai Composite Association came to visit COBRA on July 5, 2017

Khun Danu, our group CEO, explaining product design process to a group of student.



Factory Visits

The Company proudly welcomes selected visitors to observe production activities in our facilities at Amata Nakorn Industrial Estates, Chonburi, Thailand. Most of our visitors are university professors and students both domestic and international who are interested in composites manufacturing. The main objective is to provide opportunities for students to gain real-life knowledge. With the knowledge gained from these visits, we strongly hope to give them insights into composites manufacturing in order for them to apply in their further education and careers.

263 Visitors

came to visit COBRA in 2017

5 Universities

4 Organizations



3.5 Happy Soul

Annual merit-making ceremony

Every year, the company organizes a traditional merit-making ceremony to promote Buddhist ethics among company staff. It is an important event for Buddhist and serves as a blessing ceremony for the whole company and its staff.

In 2017, it was organized on September 21, 2017 and 300 people joined the ceremony.



Annual merit making ceremony, the celebration of this special day started with Khun Danu, our group CEO, presiding over a traditional Thai blessing ceremony.



Songkran Festival

COBRA organizes a Songkran festival celebration, the Thai New Year's festival, for its employees every year. The event provides opportunities for employees to perform water pouring on Buddha statues in the belief that it will wash away the sins and bad luck. The event also provides opportunities for young employees to show respect to the elders by pouring water over the palms of elders' hands in return for good advice and life lessons.



The company organized a "Rod Nam Dam Hua", a traditional event where the staff pouring water on the hands of elders and asking for blessing.



Buddhist Festival

In Thailand, there are many holy days of Buddhist events held throughout the year by the Thai people in order to celebrate the important dates in the Buddhist calendar. It has been COBRA's long tradition to organize Buddhist events right in its factory by inviting the monks to deliver principles of Buddhism to the employees as well as providing opportunities for COBRA's employees to give alms to the monks.

3.6 Happy Family

Strong families are the foundation of a good society. Our policy is to support building a strong family through various programs showed below:

Education Scholarships Program

COBRA realized the importance of education as being the foundation of a strong family institution, and hence, has been providing an education scholarships to employees' children.

The program started in 2012, and has been around since then, to provide opportunities as well as financial support to our employees and their children.



118

education scholarships given
to our employees' children in 2017



3.7 Happy Society

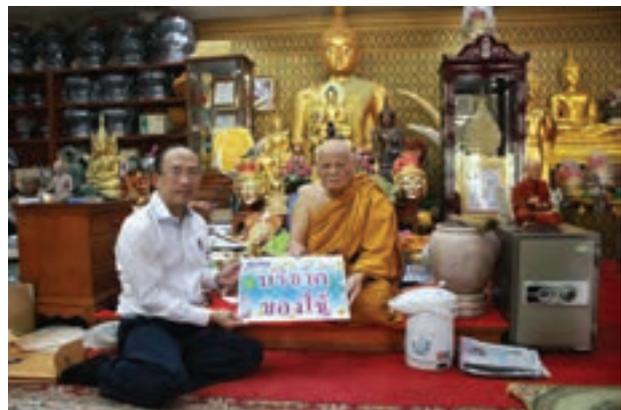
Social sharing makes a better living society. By giving back to the society, COBRA organizes many programs including humanitarian relief efforts during natural disaster, safety training via safety week event, and many more.

Humanitarian Relief Program: Homeless Child Center, Chonburi, Thailand

On August 8, 2017, COBRA organized a humanitarian program to provide lunch to homeless children at this center. There are total of 350 homeless children here.



Khun Supon, our CSO, and team provided the benches, food and snack to the homeless children care



Humanitarian Relief Program: Chiangmai 2017

During December 2 – 4, 2017, COBRA organized a humanitarian program to donate clothing including shoes and socks as well as medicines and other important items for basic needs. The destination was villages on the top mountain deep in the rural area in Chiangmai, northern part of Thailand. The villagers are in need of clothing due to the cold temperature of an average of 10 – 15 degree Celsius throughout most of the year.



Safety Activities



In 2017, there are 15 booths and 1,500 participants joining this 1-week event



Safety Week

Cobra has organized annual Safety week for 13 consecutive years to promote safety awareness through various safety-related activities and contests among departments. This is in line with the Safety policy to promote safety in our work place.



Fire Fighting team

It has been COBRA's tradition to organize a safety week to provide knowledge about safety in particular to workplaces. The highlight of the event was the accomplishment of the 8th generation of COBRA's fire fighter. By the end of 2017, COBRA had 52 professional fire fighters trained up working 24/7 to safeguard the company against any fire-related accident.

The objective to setup our fire fighting team is to:

- (1) recruit and regularly train our own fire fighting team
- (2) be able to handle emergency case according to standard procedures
- (3) limit the damage from fire
- (4) be the coordinator with external fire agencies



8th Generation of Cobra's fire fighter

In 2017, Cobra has successfully trained 4 new fire fighters to join the squad.



Advance First Aid / CPR / AED Training

First Aid knowledge is invaluable for both individual and for a community. It enables you to assist people who become injured in the event of an accident or emergency until help arrives. First Aid skills can be applied in the home, the workplace or in public locations, therefore the more First Aid trained people there are in a community, the safer that community becomes.

If an accident happens in the workplace, in your home or in a public space, being a helpless witness to an emergency situation can potentially worsen the situation. By getting the right First Aid, victims of injury usually have a higher chance to be safe before medical help arrives. As a result, First Aid knowledge is significantly important.

Cobra International is aware of the benefits of giving its staffs a training for giving First Aid. The training will be given by an expert who worked in an emergency department of different hospitals for many years. The training will focus on a practical basis by using 15 electronic manikins, 5 AED machines and many medical tools. It's very promising that all trainee will truly understand and will be able to apply the practical knowledge of giving First Aid after this training.



42 participants

The contents of this Advance First Aid, CPR and AED training are as follows;

1. How to give First Aid for
 - a patient with high fever, faint and asthma
 - a patient with foreign object or any chemicals in ENT system (ear, nose, throat)
 - a patient who get electric shock
 - a patient who get burnt, scalded
 - a patient with a seizure, unconscious patient
 - a patient in shock/ bleeding
2. How to measure vital signs
3. How to appropriately transport patient located in a building
4. Training for patient screening for CPR
5. Practical Assessment



4. Green Initiatives

Results:

Conformance with all Reporting Areas

The audit confirmed, and further reinforced, that COBRA International has comprehensive systems in place to ensure that boards 'carrying' the ECOBOARD logo meet the ECOBOARD Project requirements. The organization has sector-leading processes and procedures that ensure boards are made to the ECOBOARD specification, appropriate protections are in place for staff regarding occupational health and safety risks, and broader environmental impacts are considered and managed.



Key Observations

The following are some of the key observations noted during the audit:

1. By only producing molded boards with qualifying Sicomin bio-resin, and having a comprehensive specification process that follows each board through the production line, the opportunity for a non-qualifying board to be laminated with the ECOBOARD logo is significantly minimized, if not negated. Resin barrels, dispensing stations and relevant equipment are also all clearly marked and maintain.
2. There has been a dramatic expansion of the number of brands and board types making ECOBOARDS through COBRA's facility since the initial audit in 2016. Sustainable Surf would like to commend COBRA and its brand customers for the key role that they are playing in increasing the number of ECOBOARDS made each year. NSP, Starboard SUP and Windsurf, Surftech, Airush and The Surfboard Agency (Stacey, McCoy, Vampire, LSD) are all making some or all of their ECOBOARDS at COBRA.
3. Reinforcing point '1', the Cobra site holds ISO 9001 certification. The management systems, policies processes and procedures that underpin this, further limit opportunities for non-qualifying boards to 'carry' the ECOBOARD logo.
4. Worker health and safety (WHS) and health and wellness programs are at a very high standard. COBRA has implemented many key activities and programs to promote the improvement of safety and support its workers and the broader community.
5. COBRA is actively pursuing an extensive range of environmental initiatives to improve energy inputs, waste and water management, shipping and packaging, and supply chain sustainability. These are documented and publicly reported via the company's Sustainability Report.
6. Understanding that employees are integral to the success of the organization, COBRA provides a range of programs to encourage participation in activities that utilize the water-sport products they produce. Cobra supports an employee Windsurfing Club, where employees can participate in Windsurfing, Kitesurfing, Kayaking and Stand-up-paddle boarding.



About Sustainable Surf

“ We harness the power of water-sports to tell a new, powerful story, connecting our passion for play – into the urge to protect the oceans... AND live a ‘DEEP BLUE LIFE’

Sustainable Surf is a California-based 501(c)(3) non-profit charity organization founded by social entrepreneurs Michael Stewart and Kevin Whilden. We have offices in Los Angeles (heart of the Southern CA surfing industry), and in San Francisco (nexus of sustainable business and innovation in Northern CA).

Our Mission: Be the catalyst that transforms surf culture into a powerful force for protecting the ocean playground.

Our Strategy: We take an integrated “systems thinking” approach with our innovative programs and campaigns, which engage both individuals and businesses together in partnership to solve the most pressing environmental issues facing our oceans. Specifically, we focus on addressing environmental impacts such as climate change related impacts (ocean acidification, sea level rise and coastal erosion), marine plastic pollution, and water quality issues that threaten our shared “surfing habitat.”

How we engage Individuals – Provide engaging on-ramps for individuals to make lifestyle choices that can lower their negative impacts on the ocean and coastal environment, while boosting their positive impact on their local communities.

How we engage the Industry – Consult with surf related businesses and organizations to improve their environmental performance, and help communicate their efforts in an authentic and effective way.

Program Goals: Our programs are designed as onramps to engage, educate and entertain participants, while producing multiple benefits (environmental, social, and economic) at the local level in the communities in which they operate, as well as at the global level.

To that end, our programs focus on: 1. developing the rise and availability of dramatically more sustainable surfboards; 2. operating a unique recycling program that helps turn waste styrofoam packaging into new recycled-content surfboard cores; 3. turning professional surfing contests into a living showcase of engaging sustainable lifestyle choices; 4. Inspiring individuals to adopt an ocean-friendly lifestyle as their own.”



