



**Agency for Real Estate Affairs**

## **Communication on Progress (COP)**

May 12, 2008

I

### **Statement of the President Commitment on the UN Global Compact**



AREA and the Entering into the UN Global Compact, May 13, 2005

Source: [http://www.area.co.th/English/Corporate/Co\\_activ30.htm](http://www.area.co.th/English/Corporate/Co_activ30.htm)

We are very proud to be a member of the UN Global Compact, which is a framework for us to commit our operations and strategies with the ten principles in the areas of human rights, labour, the environment and anti-corruption. With this framework, we will show to the world that business should not be involved with activities to make money by any means: it should be responsible to the stakeholders involved in order to achieve sustainable growth.

Please see our 2008 COP to learn about our exercises on the Global Compact framework. Readers can help by making comments and suggestions for further development of our activities as well.

Sincerely yours,



Sapon Pornchokchai, Ph.D., RICS  
President, Agency for Real Estate Affairs



## Our Value of

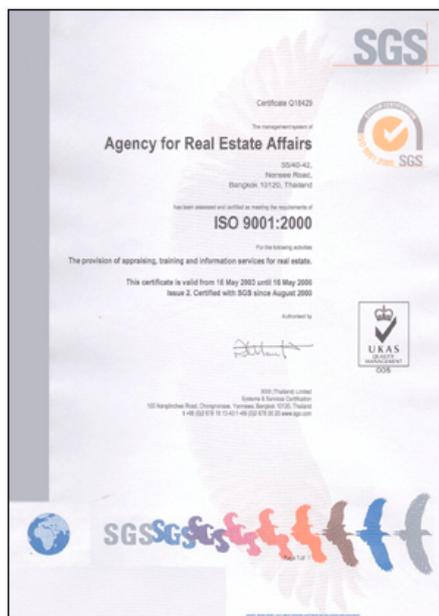
Founded in 1982, the Agency for Real Estate Affairs (AREA) is “Thailand’s independent property consultant, specializing in international standard valuation, survey, research and information services while refraining from real estate brokerage and self-interest property development in order to avert a potential conflict of interest, thereby ensuring the integrity of our valuation and research work”.

The above is a statement that appeared at our website and in other materials of AREA. It clearly indicates that we do not do business in order to make money by any means, especially when there are potential conflicts of interest, ethics or professional standards.

We are proud to inform you that we are the largest real estate information centre and most reliable source of information in Thailand, with the most comprehensive database from field survey continually conducted since 1994. We have released numerous warnings and have helped provide information for planning purposes for both the public and the private sectors.

Due to our high standard of performance and strict ethical practices, we, as local property consultants, can compete with international ones and remain leaders in the field of property consultants, thus demonstrating local initiatives and competence in fair competition in business.

AREA is the only property consultant firm certified with the ISO 9001-2000 for its overall services since 2000.





### III

## 2008 Communication on Progress (COP)

### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

AREA strictly follows the [Universal Declaration of Human Rights](#) in its performance in business. The following are some examples.

Our employees (Article 1) “are endowed with reason and conscience and act towards one another in a spirit of brotherhood.” We always promote this concept through our activities, such as on Songkran Day (Thai New Years and Family Day) where every year our younger staff members pay respect to their seniors regardless of their education or work status.



Source: [http://www.area.co.th/English/Family/fam\\_act57.htm](http://www.area.co.th/English/Family/fam_act57.htm)

According to Article 2, AREA treats our employees and clients “without distinction of any kind, such as race, colour, sex, language, religion, political or other opinions, national or social origin, property, birth or other status.” Everyone has equal right to work with us if they are competent. As of 2007, we had employees from some minority groups as well, such as the Mhong and Karen hill tribes.

According to Article 18, “Everyone has the right to freedom of thought, conscience and religion.” At AREA, we recruit people regardless of their religion. Although most of us are Buddhists, some of our staff members are Muslims and Christians.

Principle 2: Make sure that they are not complicit in human rights abuses.

This is confirmed. In 2007 or even since AREA was established in 1982, we have never been accused or charged to be against the law or any regulations regarding the abuse of human rights.



## **Labour Standards**

In AREA, with 150 staff members, most of our staff are professionals and highly skilled labourers in research and valuation.

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

AREA does not have labour unions. This does not mean that we do not promote it but perhaps, we treat our employees fairly. However, with every division every month, there is a staff meeting to allow them to raise problems, difficulties and needs (if any). The heads of all divisions will then have a meeting with top management in the next week to discuss and disseminate written results of the decisions to all staff members.

**Principle 4: The elimination of all forms of forced and compulsory labour.**  
We are never complicit in forced and compulsory labour at all.

**Principle 5: The effective abolition of child labour.**

We are never complicit in the uses of child labour forced and compulsory labour at all.

**Principle 6: The elimination of discrimination in respect of employment and occupation.**

We have never had any discrimination in employment or occupation regarding the sexes, race, religion or political beliefs. We do not discriminate against those that are ethically unreliable. We never welcome any people that are clever or very skillful but dishonest in their behavior. During the three-month probation, a personnel officer and a division head and a few senior staff members of the division, where a new staff member is working, will help assess him/her in this matter.

The following are some estimates of 2007 budget spent for our staff members above the labour standards:

- 3% of the salary for savings deposit if they enter the savings program: Baht 648,000
- Special bonuses in the case of marriage, birth delivery, parents passing away or entering Buddhist monkhood: Baht 60,000.
- Scholarship for children of our staff members: Baht 150,000.
- Monthly birthday party: Baht 96,000
- Touring for staff members organized by AREA: Baht 250,000.
- Small group touring among staff members: Baht 150,000
- Half-year all-staff training: Baht 500,000
- Local and international study visits: Baht 400,000
- Reward for "Staff Member of the Month": Baht 64,000



## Environment

AREA is in the service or tertiary sector with no production of any pollution at all. We also help promote good environment.

**Principle 7: Businesses should support a precautionary approach to environmental challenges.**

AREA, through the work of our librarian, helps disseminate knowledge and recognition of issues on environmental challenges in the office, at home or in the society at large to our staff members.

**Principle 8: Undertake initiatives to promote greater environmental responsibility.**

In 2007, all of our books published used green-read paper from farmed trees.

**Principle 9: Encourage the development and diffusion of environmentally friendly technologies.**

AREA has a computer division to help maintain the over 100 sets of computers in our office. Computer monitors or other outdated computer items which can be harmful for health and particularly the eyes are checked and replaced accordingly.

In practice, we provide clean potable water for staff members. Refreshments, such as coffee, tea, and the like are provided as a free service to all staff members. This was worth approximately Baht 240,000 in 2007.

Our office is clean and healthy. We also provide a swimming pool and sport facilities free for our staff members. We believe that if they are in a good environment, they will be more productive, which will be beneficial for them and for the company.



Source: [http://www.area.co.th/New\\_Office.htm](http://www.area.co.th/New_Office.htm)



## Anti-Corruption

Anti-corruption is our major policy and in strict practices throughout the organization. We try to have rigid quality checks to avoid any possibility for corruption among our staff members as impartial professional service providers.

**Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**

Our business never gets involved in any corruption at all. We need to be very professionally reliable and trustworthy. That is why we never practice property brokerage, nor self-interest property developments, in order to avert a potential conflict of interest, thereby ensuring the integrity of our valuation and research work.

The following is a table that shows the costs of our quality checks (QC), including field QC, by sending QC staff to check the work in the field), telephone QC to customers on the behavior of our staff members, and post QC by allowing customers to fill in the evaluation form that is sent directly to management.

<b>Estimated Annual Costs of Quality Checks of AREA</b>		
Items	2007	2008
<b>Field Quality Check</b>		
Staff members	720,000	777,600
Lodging	60,000	60,000
Travel expenses	200,000	200,000
Administration	200,000	200,000
<b>Telephone Check</b>		
Staff members	324,000	349,920
Processing	150,000	150,000
<b>Post Check</b>		
Staff members	162,000	174,960
Processing	100,000	100,000
<b>Total</b>	<b>1,916,000</b>	<b>2,012,480</b>



## OUR CORPORATE ACTIVITIES



Friday, November 30, 2007  
AREA and the Prize on Sufficiency Economy

On November 30, 2007, H.E. Mr. Palakorn Suwanarat, Privy Counciller delivered a certificate of honorable mention to Agency for Real Estate Affairs (AREA) represented by Mr. Wason Khongchantr, AREA Managing Director. The competition on the ideology of sufficiency economy was an event in accordance with the ceremony of the eightieth years birthday of His Majesty King Bhumibol Adulyadej. The competition was organized by the Office of the Royal Development Projects Board.

Source: [http://www.area.co.th/English/Corporate/Co\\_activ111.htm](http://www.area.co.th/English/Corporate/Co_activ111.htm)

### What Next in 2008

Like the traditional Thai new years, every April is the new fiscal year of AREA, and we plan to reach outside go outside AREA in 2008 for voluntary services. We have engaged in a lot of numerous philanthropy activities, but they are not reported in this COP. We plan to have a substantial comparison of activities in different period of time in next year. We have also taken part in quite a few activities of CSR (Corporate Social Responsibility), which will be reported in the COP next year as well.