



PEOPLE'S GARMENT PUBLIC COMPANY LIMITED

Form 56-1

ONE REPORT



Corporate Social Responsibility (CSR) Report

Annual Report 2022

PG Core Values



Team Work



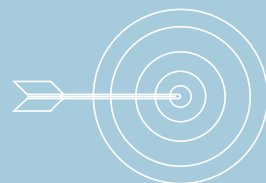
Efficiency



Accountability



Morality
and Integrity



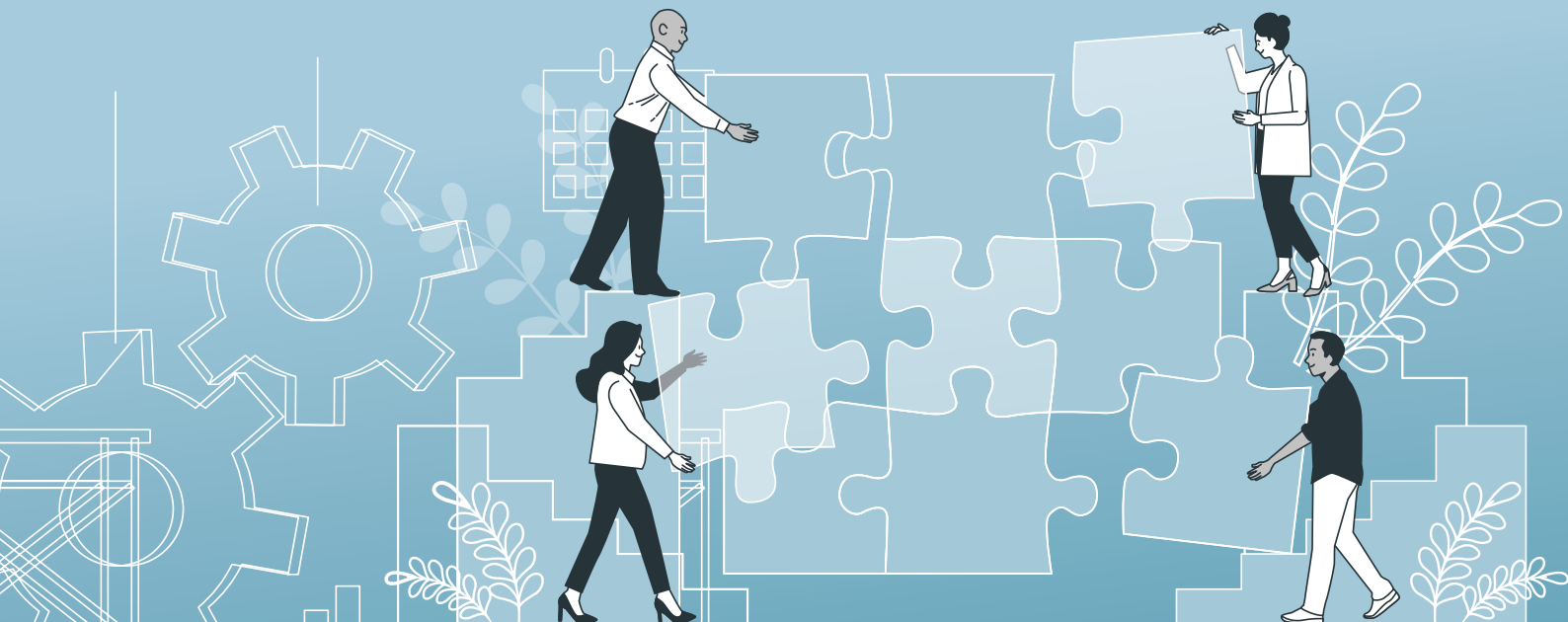
“

**A job well done is because
of good Teamwork,**

Mind synergy, and Power
thought of the good teamwork that
bring more successful at work

”

Philosophy of work and life,
Dr. Thiam Chokwatana



CONTENT

Financial Overview	5
Board of Director Report	7

1 Business overview and performance

1. Structure and Operations of the Group of company	18
1.1 Policy and business overview	
1.2 Nature of business	
1.3 Shareholders Structure	
1.4 Amount of registered capital and paid-up capital	
1.5 Issuance of securities	
1.6 Dividend Policy	
2. Risk Management	35
2.1 Risk Management Policy and Plan	
2.2 Risk Factors of the Company's Business Operations	
3. Driving business for sustainability	38
3.1 Policies and Goals for Sustainability Management	
3.2 Managing impact on stakeholders in the business value chain	
3.3 Sustainability Management in view of Environmental Dimensions	
3.4 Sustainability Management in view of Social	
4. Management Discussion and Analysis (MD&A)	60
5. General Information and Other Significant Details	67
5.1 General Information	
5.2 Other important information	
5.3 legal dispute	

2 Corporate Governance

6. Corporate Governance Policy	69
6.1 Overview of Corporate Governance Policies and Practices	
6.2 Business ethics	
6.3 Major changes and developments in policies, practices and corporate governance in the past year	

7. Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, executives, employees and others	127
7.1 Management Structure	
7.2 Information about the board of director	
7.3 sub-committees	
7.4 Information of the management	
7.5 Information of Employee	
7.6 Other important information	
8. Report of key performance in view of corporate governance	138
8.1 Summary of the performance of the Board of Directors in the year 2021	
8.2 Report of the performance of the Audit Committee in the year 2021	
8.3 Summary of the performance of other sub-committees	
9. Internal Control and Related Transaction	143
9.1 Internal control	
9.2 Connected Transaction (Related Transaction)	

3 Financial Statements	147
-------------------------------	------------

4 Appendix	
Attachment 1 Details of Directors, Executives, Controlling Persons and Company Secretary	195
Attachment 2 Details of Subsidiary 's Directors	
Attachment 3 Details about the supervisor, internal auditor, and Head of Compliance	
Attachment 4 Assets used in business operations	
Attachment 5 Corporate Governance Policy and Practice, and Business Ethics	
Attachment 6 Governance Report of the Audit Committee	
Risk Management Committee Report	
Report of the Corporate Governance Committee	
Report of the Nominating Committee	
Report of the Remuneration Committee	
The Board of Directors' Responsibility Report towards Financial Statements	
The Executive Board's Report	

Mission

- Commitment to quality of design and production of Men's apparel, Sportswear, and Swimwear for customers satisfaction
- Commitment to develop innovative products and services to create value-added to customers
- Commitment to be One Stop service for men's apparel products
- To increase revenue and profit growth rate consistently
- To improve employees' knowledge, capability and quality of life
- To provide returns to shareholders regularly
- To operate business under responsibility to social, community, and environmental friendly together with supporting social and public interest activities

Financial Overview

DATA	2022	2021	2020
Financial Position and Operating Result (Millions Baht)			
Total Assets	1671.29	1,631.70	1,579.24
Total Liabilities	210.04	225.73	200.70
Shareholders' Equity	1,461.25	1,405.97	1,378.54
Net Sales	687.17	612.62	548.49
Profit before income tax	43.64	12.37	(43.42)
Net Profit	43.50	10.64	(44.08)
Per Share Data (Baht)			
Par Value	1.00	1.00	1.00
Book Value	15.22	14.65	14.36
Earning	0.45	0.11	(0.46)
Dividend	0.20 *	0.10	0.10
Market Price	7.65	6.65	4.96
Liquidity Ratio (Times)			
Current Ratio	8.75	7.94	10.71
Quick Ratio	4.87	4.90	6.82
Profitability Ratio (%)			
Return on Sales	6.33	1.74	(8.04)
Return on Equity	3.03	0.76	(3.10)
Efficiency Ratio (%)			
Return on Total Assets	2.64	0.66	(2.69)
Return on Fixed Assets	38.85	17.86	(16.51)
Financial Policy Ratio (Times)			
Debts to Equity Ratio	0.14	0.16	0.15
Dividend Payout (%)	44.14 **	90.21	-
Growth Rate (%)			
Total Assets	2.43	3.32	(4.31)
Total Equity	3.93	1.99	(6.13)
Net Sales	12.17	11.69	(21.27)
Profit(loss) before income tax	252.87	128.48	(539.33)
Net Profit(loss)	308.73	124.15	(1,561.37)

* The Board of Directors' Meeting has proposed the resolution of dividend payment at the rate 0.20 baht per share. This resolution will be proposed in the general shareholder's meeting held on 25 April, 2023

**The Company has a policy to pay dividends at a rate which is not over than 50 percent of net profit and depends on the company's operation and trends in economic.



Vision

“ We are fully committed to be leader to
create quality products and services
with innovation of apparel in Thailand ”

Report of the Board of Directors

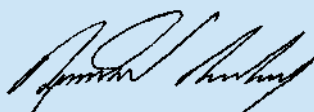
The year 2022 is another year that businesses has been affected by the COVID-19 epidemic, especially in the first half of the year; however, the situation began to unravel in the second half of the year; as a result, economic activities began to recover, business can be conducted better but it also has been pressured by the Russia-Ukraine war. The war affected the Energy price, minimum wage, electricity price, sea freight cost, and raw materials cost which the company was necessary to adjust its business management, especially improving its production efficiency to be more effectiveness.

For the year 2022, the company had sales revenue of 687.17 million baht and a net profit of 43.50 million baht, considering operating results and financial status including overall economic conditions, The Board of Directors resolved to propose to the 44th Annual General Meeting of Shareholders on Tuesday, April 25, 2023 to consider and approve the dividend payment at the rate of 0.20 baht per share.

The Company places importance on using clean energy and natural energy by investing in a solar power system project (Solar Rooftop) which can reduced electricity costs and reduced greenhouse gas emissions according to the environmental policies and goals.

In addition, the company continues to focus on the strategy of developing new innovations by using environmental friendly materials continuously in order to meet the needs of today's consumers. The company ready to focus on sustainable business operations in various dimensions by driving business according to ESG (Environment Social and Governance) guidelines that cover environmental dimensions, social responsibility, and corporate governance to enhance sustainable growth for the organization under fairness, transparency, and can be verified.

Board of Directors would like to thank you to shareholders, customers, business partners and all groups of stakeholders who have always supported and trusted the company, including would like to thanks you to the management team and all employees for their commitment to dedicate their energy to work during the past crisis situation. Moreover, please be assured that the company is committed to developing the business to be sustainable growth for the utmost benefit to all parties as the Company has always done in the past.



(Mr.Boonkiet Chokwatana)
Chairman



(Mr.Viritpol Chaithavornsathien)
Chief Executive officer

Board of Director



Mr.Boonkiet Chokwatana
Chairman



Mr.Chailert Manoonpol
Vice Chairman



Mr.Viritpol Chaithavornsathien
Chief Executive officer



Mr.Sunan Niyomnaitham
Chief Financial officer



Mrs. Somporn Tiaviboonsiri
Director



Mr. Piranart Chokwatana
Director



Mrs. Teerada Ambhanwong
Director



Mrs. Kityaporn Chaithavornsathien
Director

Independent Director



Mr. Khachornsakdi Vanaratseath
Independent Director /
Chairman of Audit Committee



GEN Konecharnart Chunnabhata
Independent Director /
Chairman of Risk
Management Committee



Mr. Santi Bangor
Independent Director / Audit Committee /
Chairman of Corporate Governance and
Sustainable Development Committee



Mrs. Nuchanart Thammanomai
Independent Director /
Audit Committee



Mrs. Chortip Pramroj Na Ayudhya
Independent Director /
Nomination Committee /
Remuneration Committee



ARROW



USA • 1851





PRIMO LINEA
ROMA





International Organization for Standardization



Quality Management System : ISO 9001

- 1999 :** Received ISO 9001:1994 certification to the company is the first designer and manufacturer of ready to wear garment in Thailand which was certificated from BUREAU VERITAS QUALITY (BVQI).
- 2003 :** Received ISO 9001: 2000 certification from United Registrar of System (Thailand).
- 2009 :** Received ISO 9001: 2008 certification from United Registrar of System (Thailand) for the Design and manufacture of Men's wear, Ladies' wear, Swimwear, Children's wear and knitted fabric.
- 2018 :** Received ISO 9001:2015 certification from United Registrar of System (Thailand) for the Design and manufacturer of Men's wear, Ladies' wear, Swimwear, Children's wear and knitted fabric.
- 2021 :** Received ISO 9001: 2015 certification to the quality management system continuously from the United Registrar of Systems (Thailand) for the design process (Design and Manufacture of Men's Wear Ladies' Wear, Swimwear, Children's Wear and Knitting)



Environmental Management System : ISO 14001

- 2013 :** Received the certificate of ISO 14001:2004 for the process of design and production of men's wear, ladies' wear, swimwear, children's wear and knitted fabric which are certified to the United Registrar of Systems (Thailand)
- 2018 :** Received the certificate of ISO 14001:2015 for environmental management system in recognition as the organization has its scope of design and manufacturing of men's wear, ladies' wear, swimwear, children's wear and knitted fabric which are certified to the United Registrar of Systems (Thailand)
- 2022 :** Received the certification of the ISO 14001:2015 to be continuously audited for environmental management system for the design process and manufactures men's clothing, women's clothing, swimwear, children's wear, and knitted fabrics from the United Registrar of Systems (Thailand)



Green Culture

The Company has been certified for Green Industry Level 4, Green Culture from the Ministry of Industry “ The company is committed to conduct business that is friendly to the environment by focusing on improvement and continuous development; moreover, the company also conduct business with social responsibility, community, and stakeholders from all sectors.”

Code of conduct



The company has been cooperating with our customers to operate business in comply with code of conduct such as Code of conduct of and code of Conduct of Peter Millar brand. The business principles set out the moral and ethical principles. The company comply all applicable laws and regulations included maintaining its standard on Thai labor law, especially focusing on communicating of various internal systems to the employees throughout the organization to know the operational procedures efficiently including Chemical management policy



Energy saving label No.5 “Garment product”

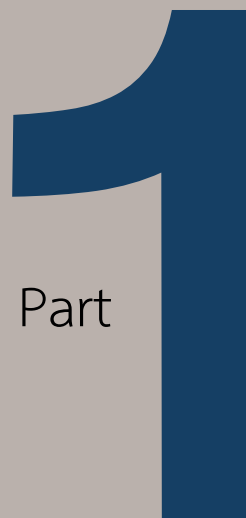
- 2017 :** The Company had signed MOU with the Electricity Generating Authority of Thailand (EGAT) for the “Label No.5 garment” program for energy saving textile and garment.
- 2018- 2022 :** The company has launched and distributed garment product for the “Label No.5” under Brand Arrow, BSC COOL, and Primo.



Global Recycled Standard

- 2020-2022 :** The company is continually certified to international recycling standards (Global Recycled Standard), the certified product is Knitting fabric made by recycled fibers which is to reduce the impact on the environment along with taking care of social, labor, safety, occupational health and use of chemical from Control Union (Thailand) Co., Ltd.

Business overview and performance



Part



1

Structure and Operations of the Group of company

1.1 Policy and business overview

People's Garment Public Company Limited operates its business in textile and garment business, comprising men's, women's, children's apparel, swimwear and uniforms. The company produce the products under the license of international trademark (International Brand) and the company's trademark (House Brand), the company has its first production base in Bangkok, later expanded its production capacity to the region by establishing 2 more factories, namely Lumphun Branch (Lumphun province) and Saha Group Industrial Park, Kabinburi, Prachinburi Province. The company has applied modern technology and machinery in the production process along with the development of labor skills continuously to increase operational knowledge in order to get standard quality products in every branch.

Over the past 43 years, the company's products have continually developed production processes along with product quality both production standards and safety standards according to the ISO9001 quality management system and ISO 14001 environmental management system; as a result, the company's products are safe for consumers and environmentally friendly. Moreover, it also complies with the company's vision, mission and values to create balance in terms of economy, society and environment. This is an important factor that encourages the organization to grow stably and sustainably.

Domestic distribution has I.C.C. International Public Company Limited as a major customer of the Company. For the international market, it is distributed directly and through AGENT, which mainly exports to the United States and ASEAN countries.

Vision



“ We are fully committed to be leader to create quality products and services with innovation of apparel in Thailand „

Mission



- Committed to designing and producing quality menswear, sportswear and swimwear to satisfy our customers.
- Committed to develop innovative products and services to create value-added for the company and customers.
- Aim to be One Stop service for men's products
- Continuously generate growth rate in both revenue and profit.
- Encourage employee to have knowledge of competence in duty and having a better quality of life
- Generate returns for shareholders
- Operate business with the responsibility of social, community and environmental friendly as well as supporting activities for public interest.

Objectives and goals

The company has confidence in the potential of the textile and garment business along with continuously strive to develop products to meet international quality standards while using resources effectively and environmentally friendly. Moreover, it is ready to create innovations to generate value-added for the business. In addition, it is including developing and enhancing the potential of employees at all levels to increase competitiveness along with taking part in responsibility and building a good relationship with society, community and environment. Moreover, it continuously generates returns for shareholders by operating business that take all stakeholders into account which will lead to sustainable growth.

In order to ensure that the Company's operations are in line with the main objectives and targets to continuously achieve profit, The Board of Directors considers and reviews Vision, Mission, and operational guidelines in order to determine the main strategy of the organization on yearly basis. This is to adjust its strategy in accordance with the changing situation under adequate risk management and internal control in accordance with the principles of good corporate governance. The company operates its business with regard to the environmental factors of the organization and analysis of potential impacts on relevant stakeholders.

In 2022, the Board of Directors together with the management reviewed the operating results of the previous year together with changing economic conditions both internally and externally. This is to formulate a strategy that is linked to the operating plan and annual budget as follows:

Sustainable Business Development Strategy

The company has established a framework for the sustainability of the business by creating a balance in 3 dimensions to create value for the organization as follows:-

Operation Goals

The company has developed a proactive environmental management plan and is committed to upgrading the green industry to a higher level by applying modern machinery technology to develop the production process as well as to focus more on using clean energy to achieve the most efficient environmental management and reduce the potential impact on society, community and environment.

Striving for excellence and business growth

The company has set its plan and goal to rush improvements to increase operational efficiency throughout the organization to achieve business goals. The company focusing on developing production in every step to be efficient, management to reduce costs and considering products that are safe and environmental friendly is important.

The continued growth of business will study the market and expand the market for both domestic and international customers; it will maintain a balance of both existing and new customers. The company will require a systematic new product development process and the integration of relevant agencies for future business expansion.

Strengthen the organization

The company formulates human resource management strategies to enhance the company's business competitiveness and efficient working process, the development of employee competency, and the development of leadership including, cultivate values and create a corporate culture by bringing in technology to help support and develop database systems including enhancing the company's data analysis to support performance measurement at the organizational level.

Economic dimension

Consistently growing of revenue with innovations that are good for society and the environment

Social dimension

Improve the quality of management and development of the potential of employees, including taking care of the community and society

Environmental dimension

Environmental Management by establishing a system for operations and monitoring

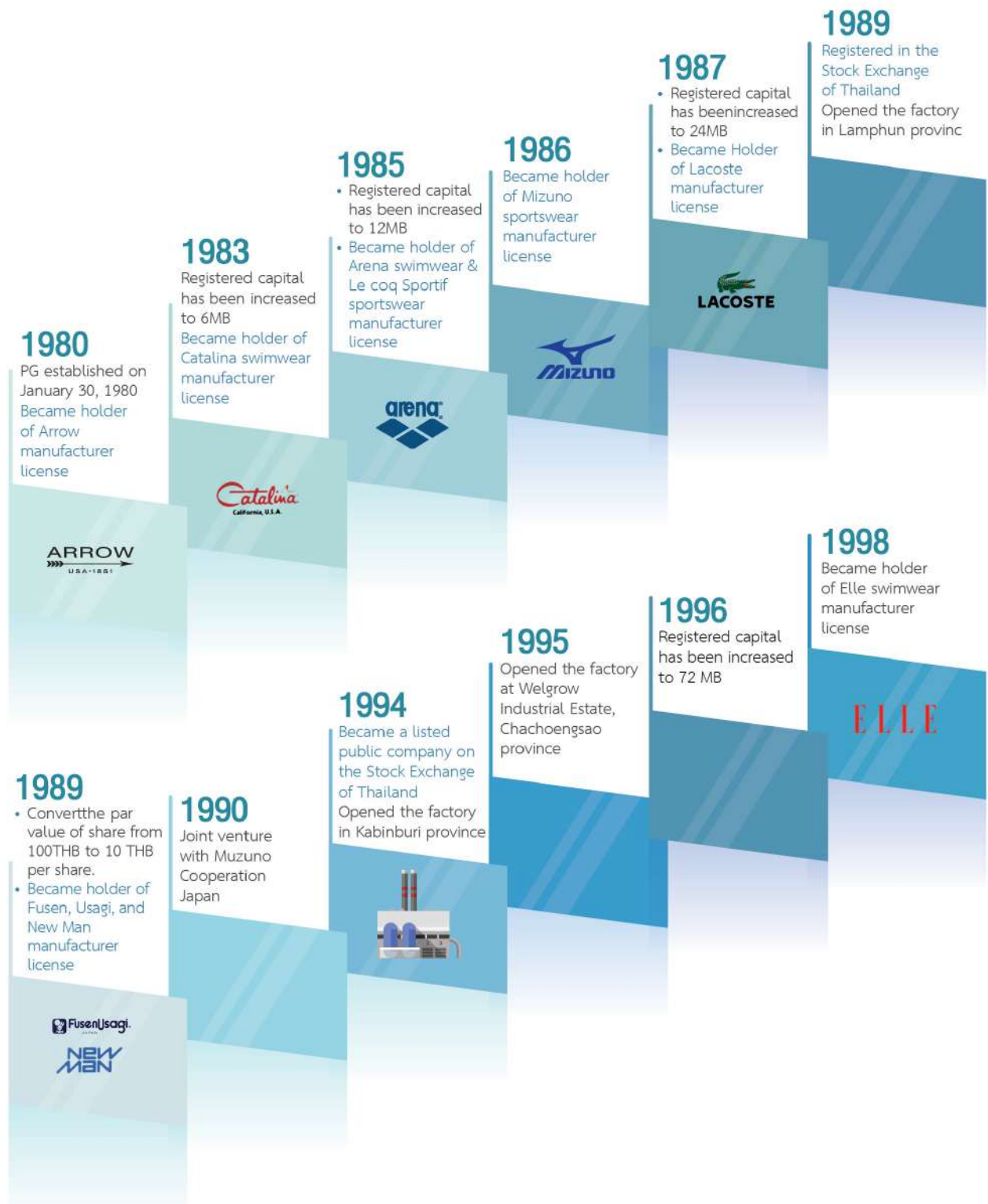


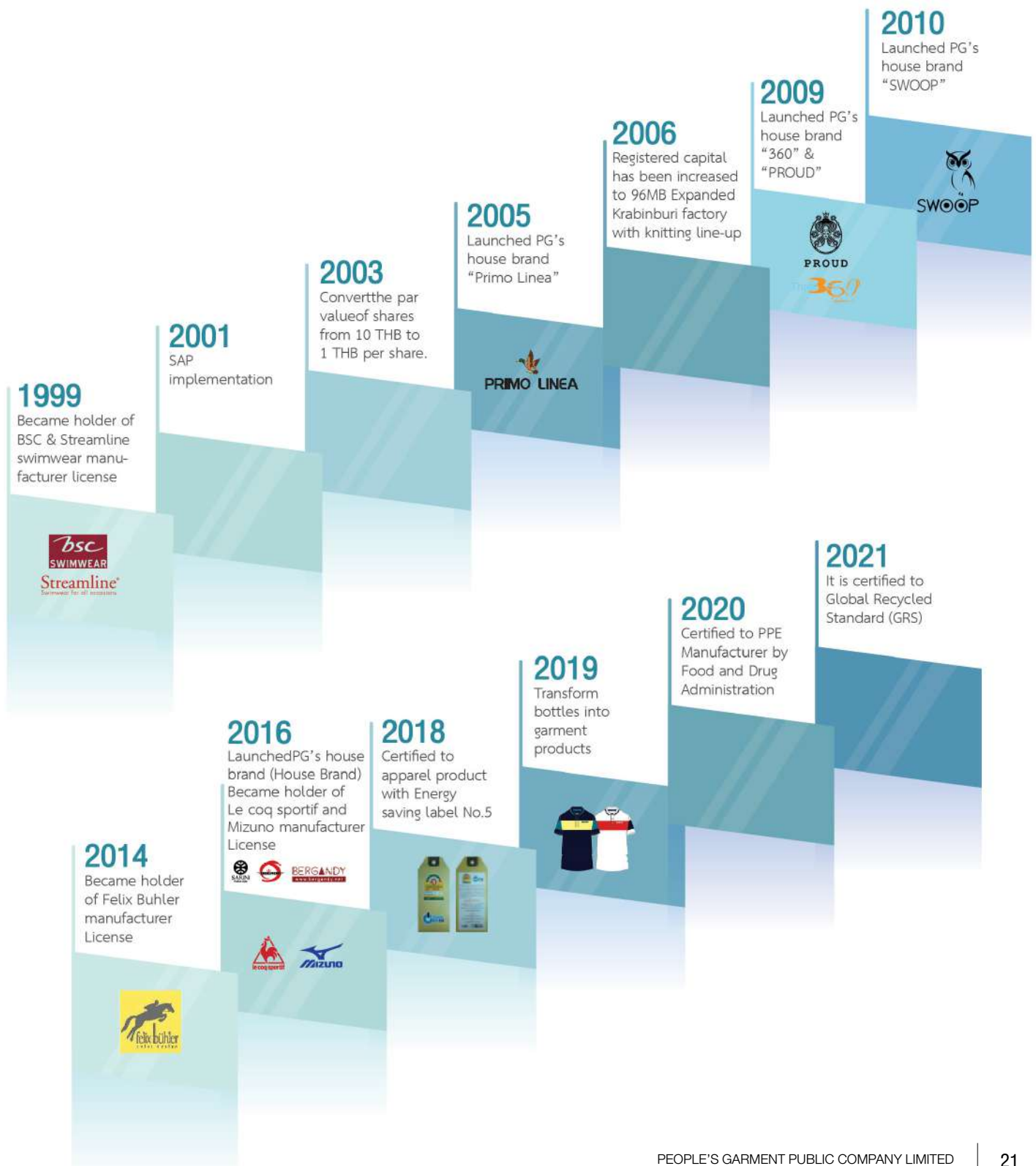
Major changes and developments

Characteristics of business operations in the past year

People's Garment Public Company Limited started business as a garment manufacturer in 1980, before subsequently expanding into the manufacturing of knitted fabrics. The company operates its business with the alliances in order to be integrated business from upstream to downstream.

It also focuses on adding value to products and creating the innovation on textiles and garments together with quality and environmental friendly, including to create a balance of economy, society and environment.





Authorized power to control the company in the past year

Shareholder details presented under Section 1.3 Shareholder Structure of the Group

Changes in shareholding structure, management or business operations or significant events during the past 3 years

- None -

General information of Company

Company name	People's Garment Public Company Limited “PG”
Type of Business	Textile and Garment Business
Registration number	0107537001552
Head quarter	No.666, Rama3 Road, Bangpongpan, Yannawa, Bangkok, 10120
Telephone	0-2685-6500
Fax	0-2294-5159
Website	http://www.pg.co.th
Registered capital	96,000,000 Bath
Common Stock	96,000,000 Shares
Par value	1 Bath
Fully Paid-up capital	96,000,000 Bath
Associate/Subsidiary Company	-None -

1.2 Nature of business

Income Structure

Sale revenue	2022 (ML. Baht)	%	2021 (ML. Baht)	%	2020 (ML. Baht)	%
Domestic :	564.87	82.20	449.33	73.35	463.53	84.51
Garment	553.29	80.52	431.13	70.38	446.08	81.33
Knitted fabric	11.58	1.68	18.20	2.94	17.45	3.18
Overseas :	122.30	17.80	163.28	26.65	84.97	15.49
Garment	119.64	17.41	160.81	26.25	78.91	14.39
Knitted fabric	2.66	0.39	2.47	0.40	6.06	1.10
Total	687.17	100.00	612.61	100.00	548.50	100.00

Production Information

Product and service characteristics and innovation development

People's Garment Public Company Limited started its business as a ready-to-wear garment manufacturer since 1980. Later, it invested in the production of knitted fabric, the Company's business operations were jointly with business partners to strengthen the business cycle from upstream to downstream, which the main products are as follows

Textile product

The company has a production line for knitting fabrics at Kabinburi branch with modern machinery and technology to enhance the production process to be more efficient

Ready-to-wear product

The Company is principally engaged in the production of ready-to-wear garments, Men's and Women's wear, swimwear, sportswear, men's underwear and uniforms.

Textile product

The company has developed innovations in raw materials to meet the needs of customers to achieve the highest satisfaction and value by creating products under the principle that "It is a product that is safe for consumers and environmentally friendly"

The company has carried out activities to maintain product quality standards and safety standards against harmful paints and chemicals including continually focusing on reducing environmental impacts such as:-

- Certified to Quality System ISO 9001: 2015
- Certified to Environmental Management System ISO14001: 2015
- Certified to Products that are certified to reduction of Global warming: (Cool mode)
- Certified to Product for Energy saving "Energy saving label No.5"
- Certified to Green Industry Level 4 certification
- Global Recycled Standard Certification (GRS)

To be a guideline to reduce the impact on the environment in a sustainable way and together to support the vision of the organization **"We are fully committed to be leader to create quality products and services with innovation of apparel in Thailand"**.

Functional Textile

"COOL MODE LABEL" AND "Electricity Saving Label No. 5"

The product those are safe for consumers Free from chemicals and dyes that are safe from carcinogens and heavy metals. Strong fabric, durable color, absorbs sweat and transfers heat well. Comfortable to wear. Can be in a building or a room with an air conditioner temperature of 25 0C without feeling Unc (Brand customers / uniform groups and customers who buy stretchable fabrics)

"UPCYCLING" (Recycle polyester) Transforming plastic bottle waste into clothing products

Products that are transformed by plastic bottles which are processed to be recycled fibers with environmentally friendly innovations and they are developed into valuable products.

The company has produced and distributed as Polo, T-shirts, and Round-neck T-shirts for uniform customers and any customers both domestic and international who continuously purchase stretch fabrics.

SORONA by DUPONT

SORONA is an innovation of natural fibers extracted from corn. The fabric made from SORONA fibers has a strong structure and good flexibility like spandex, soft touch, comfortable to wear, and good heat ventilation. It also pilling-resistant to hair on the fabric, wrinkle-resistant and shape-keeping. More importantly, it is also resistant to UV rays and chlorine; as a result, its color is maintained to be bright colors and easy care.

It also can be recycled and biodegradable naturally. The company therefore realizes as the importance and it is another alternative to create sustainability and environmental friendly for the textile and garment business. In 2022, the company has produced trousers under the brand "ARROW" for main customers (ICC) and they are sold to consumers.

Medical textile products (For protection and prevention from infection)

FABRIC MASK	Isolation Gown
<ul style="list-style-type: none">• Fabric Mask (Cotton 100%) Prevents small dust particles of 0.1 microns to 54% and is well ventilated, safe from chemical residues.• Fabric Mask with Water repellent<ul style="list-style-type: none">- Prevent particle from coughing and sneezing, which can be washed repeatedly up to 30 times- Prevent small dust particles of 0.1 microns to 54% and well ventilated, safe from chemical Residues.	<p>The company is licensed to produce medical devices from the Food and Drug Administration (FDA) by producing the PPE – Isolation Gown model “We fight”, which is a complete set of waterproof products. (using waterproof thread), which can be reused at least 20 times</p>

Ready-To-Wear Garment

In 2022, the company has developed patterns and raw materials for the “ARROW” brand for having variety and being continuous innovation in the T-shirt Collection “NEW YORK POLO and DRY TECH SMART POLO”. Moreover, there were development of fabric for Slacks “ARROW” by bringing innovation of natural fibers extracted from corn called “SORONA fibers” which can be recycled and biodegradable naturally. The company therefore realizes the importance and there was another alternative to create sustainability and environmental friendly of the textile and garment business. In addition, it creates value-added to existing and new customers and it also responses to the needs of consumers in terms of quality and reasonable prices.

Marketing and Competition

Marketing policy

We are fully committed to be leader to create quality products and services with innovation of apparel in Thailand”. The main policy is to produce products that are safe for consumers and environmentally friendly, The Company has marketing strategies as follows:

- Produce quality products with reasonable prices
- Develop every step of the production process to increase both productivity and efficiency
- Manage risks of raw material procurement to control costs to be competitive and maintain profit margins at an appropriate level.
- Develop a variety of products to expand new market bases and maintain balance for both existing and new customers.

Currently, consumer behavior has changed to use more online channels continuously. The company therefore cooperates and supports customers to generate sales in both offline and online channels, including various social media that can reach consumers quickly. Therefore, the company has developed products in terms of both styles and new materials to expand more new customers’ base.

Moreover, The Company also pays attention to the direction of production and the demand for textiles and garments in the global market are changing that the demand for environmentally friendly products to reduce global warming is more increasing. Leading clothing brands have ordered apparel made from recycled fibers, reducing water used, energy used, and organic cotton raw materials as it is a Green Product that protects the environment which is an alternative for consumers selection.

The company realizes the importance of these things; therefore, there has been a continuous cooperation with trade partners to produce such products under the brand ARROW and Uniform of various organizations

such as Cool Mode shirts / Energy-saving shirts No.5 and Recycle Polo to support the organization's business strategy that is friendly to environment for sustainable growth.

Oversea markets

In 2022, the export amount was 122.30 million baht, compared to the previous year, a decrease of 40.99 million baht or 25.10% due to the beginning of the year main customers have been able to place orders faster as the market recovery and they were afraid that the product will not be enough because some factories which are the production base in Vietnam has closed. As a result; customers diversified the risks in term of supply chain by placing more orders in Thailand.

The company is ready to speed up production for delivery on time and also to prevent and solve problems related to congestion of vessel and cargo; as a result, the customers have a large amount of stock. because the market is on reversal situation which is unexpected. Therefore, during the middle of the year, customers delayed their orders and they need to speed up to manage and sell inventory due to the economic impact of their countries and other factors get impact from global economic fluctuations.

The company has export sales to the United States, Europe, and Asia which is equal to 18% of total sales. In 2022, the company exports to the United States and Europe which their sales volume has decreased, the garments are sale through trading Firm, which is our partner who has always had a good relationship, including the following issues.

- Customers have confidence in the potential and the quality of the product, including the development of product styles to be diverse and modern. Although, there is still price competition from neighboring countries such as China, Vietnam, Indonesia, Cambodia and Bangladesh, which have lower wages but customers still rely on the company.
- The company has proactive marketing by offering a full range of products and new innovations from fabric design, fabric production, and pattern creation until making into ready-made clothes that they will be offered as sample to customers (Original Design Manufacturer : ODM) in Asia. It is a strategy to enhance competitiveness.

In addition, the company is able to produce both small and large quantities (Small lot / Big lot) to meet the changing needs of today's customers.

Distribution channels for foreign markets

1. Distributed through Trading Firm
2. Direct sales to customers in the United States, Europe, Asia and ASEAN.

For the year 2023, the company continues to focus on expanding the market to the United States, Europe, Vietnam, Japan and the AEC group continuously and the company is ready to expand the customer base to other countries to achieve the organization's business goals

Domestic Markets

Sales of domestic garment still continue to use marketing strategies in promoting sales that stimulate the market of various apparel brands by reducing prices at department stores and various commercial areas as well as imports of ready-made garments from China, Vietnam. Cambodia, Bangladesh. Most of them are fashion styles with all ranges of price; moreover, there is also importing more new brand-name products from abroad to sell in huge volume causing high competition to gain more market share.

The company is aware of the importance of implementing proactive marketing strategies in conjunction with ICC International Public Company Limited who is a key customer and distributor for the company.

- To regularly carry out surveys of customers' needs and satisfaction to ensure they are able to respond most of customers' requirements.

- Created marketing activities to attract target markets in consideration of brand image and the creating value for society.
- Developed and created innovation in order to response customers' needs for "to be safe products for customers and environmentally friendly".

Uniform

As the company has expertise from design raw material selection producing quality products delivery of goods including having good service both before and after the sale; moreover, the company taking into account the principles of competition in terms of quality and reasonable price; as a result, the Company has become a manufacturer of Uniforms, both Work wear and Office wear for well-known organizations such as financial institutions, government sectors, state enterprises, private companies and many educational institutions.

The Company is aware of the importance of Product Quality, maintaining product quality standards and continually creating customer satisfaction with a standardized and accepted QC system.

Domestic sales and distribution channels

1. The company has assigned ICC International PLC, a significant company in the SAHA Group and a key customer of the company, to be a distributor. Its main distribution channel comprises department stores, discount stores, modern trade and it also add online channels to be comply with the New Normal era.
2. Distribution via E-commerce
3. Distribution via Factory Outlet
4. Direct distribution to customers of corporate uniforms, Office wear, and Work wear to leading government, private organizations and state enterprises.

In 2022, the company's domestic sales amounted to 564.87 million baht, an increase of 115.54 million baht or 25.71% due to the relaxation of various control measures, causing domestic activities to resume and consumers have change behavior to go outside and spending more money to buy products. Regarding the garment section Trademark competition remains an important factor. Most consumers still prefer brand-name products. This year is an opportunity for consumers because the brand-name clothing groups are constantly expedite to launch sales promotions in order to manage high volume of inventory. Therefore, it is an opportunity for consumers to get good products at cheap prices.

The company gain the sales from both main customers, ICC Co Ltd, Uniform customers, including OEM and OMD customers, which is accounting for 82% of total sales. The company is confident that the company's products are famous and accepted with international quality standards i.e. T-shirts, pants, Slacks, Men's underwear and Swimwear. The company focuses on selecting environmentally friendly raw materials to continuously produce products under the "ARROW" brand and House Brand products, including corporate customers, uniform groups and other customers, in order to realize the needs of today's consumers who pay attention to value products that are socially and environmentally responsible.

Marketing Management Strategies

In order to provide more distribution channel to customers and consumers, the company applied the following strategies;

1. Create "Fashion Trend" in advance by creating story board concept such as color concept, and mix & match of all products group, together with doing pre-collection. These strategies help making purchasing decision easier as one stop service; as a result, the customers satisfy with these operations and respond by purchasing more. Since, they have clearly visual merchandise so it supports doing marketing plan in advance.

2. Cooperation with customers in cost management in case of high volume orders in order to increase competitive advantage for customer and gain more sale revenue both parties.

3. Adding distribution channel partners by selling products via LAZADA/ SHOPEE/ JD and E-Thailand Best for house brand products. This channel is enable to expand more customer's base. Moreover, it can directly response customers' needs whose life style is modern and smartphone life style such as purchase goods via Smartphone.

The market of ready to wear garment is high competition in a wider range of distribution channels such as Department store, Modern trade and Convenience store included new distribution channel like E-Commerce and Modern trade. The competitive trend continually grows in every year as those channels are easily reached by consumers and faster response the customers' needs. Moreover, TV shopping / O-Shopping channel provides manufacturers to completely show and communicate on products innovation. These channels are trend to grow continually so the company had been applying some strategies and still carry on continuously.

As the company has changed its strategy by offering a wider range of products and innovations that customers and consumers needed, together with seeking new customers to increase sales volume. The company also modifies working process to control overall costs including the reduction of raw material costs, production costs, administration costs and financial costs in order to have competitive cost and expenses leading to competition ability in both domestic and international market.

Regard to current business operations, The Company has closely monitored various internal and external situations including business trends in order to adjust strategies of business operations to keep up with rapidly changing situations. The company is aware of risk management in business operations to prevent and reduce risks to an appropriate and acceptable level and it still maintain a business to be sustainable.

Textile and garment situation of the year 2022 and Trend of the year 2023

Textile and garment industry is an important manufacturing and exporting industry of the country, which in 2022 it has been affected by the global economic crisis due to various factors resulting in an overview as follows:-

Export section value was 6,526.4 million US dollars, an increase of 13.6% compared to the previous year, divided into below:-

- (1) Textile group valued at 4,119.9 million US dollars, an increase of 6.8 percent
 - Synthetic fibers increased 10.9% from the US, India, and Indonesia markets.
 - Yarn increased 4.4% from Japanese, Chinese, and Columbia markets.
 - Fabric increased 9.6% from Vietnam, Cambodian, and Myanmar market.
- (2) Apparel group valued at 2,238.8 million US dollars, an increase of 8.3% compared to the previous year due to exports to major markets such as the United States and Japan, an increase of 14.1 and 3.7 percent respectively.

Imports section totaled 5,179.1 million US dollars, an increase of 12.3 percent divided into as below:-

- (1) Textile group valued at 3,654.3 million US dollars, an increase of 15.9 percent
 - Yarn increased 26.5% from Chinese, Australian, and US markets.
 - Fabric increased 7.5% from Chinese and Taiwanese markets.
- (2) Apparel group valued at 1,524.8 million US dollars, increased by 4.3 percent and resulted in the overall trade balance surplus valued at US\$ 1,179.6 million.

The overall picture of Thai textile and garment exports in 2022 has a total export value of 6,358.7 million US dollars grew by 7.3 percent if compared to the same period last year, its increasing growth in almost every market except the Chinese market, which dropped 6.7 percent, but exports to the US, Japan, Vietnam and Indonesia markets increased by 11.1, 4.5, 8.3 and 10.3 percent respectively.

However, the risk factors that should be monitored is high stable energy prices, adjustment of Fuel Adjustment Charge (at the given time or FT) in the first 4 months of 2023, increasing of minimum wage resulting in increased production costs (Especially in the SME group) , Inflation problems, and Exchange rate fluctuations which all of these factors affect the export sector. and the global economic slowdown due to the economic slowdown in many countries around the world including important export markets of Thailand

Textile and garment industry trends in 2023

Regard to the factors of the global economy fluctuating both from the protracted geopolitical conflict, the problem of rising inflation causing the interest rate to be adjusted; as a result, the purchasing power of consumers decreases. Moreover, both rising energy costs and uncertain market conditions which all affect the textile and apparel industry around the world, so the year 2023 may be full of risks and opportunities for adjustment as well; moreover, there is anticipation key issues that may arise, including:-

Issue 1: Textile and Garment Industry may face the global economic slowdown and decreased Products in the group “Apparel” is a major consumer-driven industry, so the volume of production trade changes significantly and correlates with macro-economic dynamics. However, higher energy costs and global supply chain downsizing, these are all challenges that brands or fashion businesses are facing today and forecasting the overview of global trade (Apparel category) in 2023 will grow at approximately 0.8-1.5 percent.

Issue 2 : Fashion brands tend to take the benefits of diverse sources of raw materials along with maintaining a large seller/partner base to keep up with the economic situation on the uncertainty that may occur.

Regarding to U.S. market, about 40 percent of US fashion businesses plan to source more diverse materials from around the world along with working with suppliers until 2024 to achieve flexibility in business operations and reduce the risk of procurement of raw materials for production. This will reduce the import of raw materials from China (Due to the supply chain crisis that has occurred), it is expected that near-location sourcing or near Sourcing which could be an opportunity for fashion businesses in 2023.

Issue 3: Sustainability in the fashion business (e.g. Source of raw materials apparel goods and textile materials) will be clearer view.

Developing a sustainable apparel supply chain become more socially responsible and transparent due to increased expectations from stakeholders (Stakeholders) in this business and the implementation of new regulations associated with the increasing international trade sector which is related to environmental issues

Consequently, many fashion brands and retailers are increasingly voluntarily disclosing information about their suppliers to the public, such as revealing factory names, locations and production functions along with disclosing compliance with various requirements, including technologies or tools for joint traceability between brands and suppliers to know the properties of raw materials or textile materials. Therefore, diversified supplier data will provide new opportunities for fashion businesses to optimize their supply chains and improve business performance and the behaviors of today’s consumers are paying more attention to the environment. More fashion businesses are choosing recycled textile materials for their apparel production; therefore, this is another opportunity for the fashion business in 2023 as well.

Reference : Information and Communication Technology Center Office of the Permanent Secretary, Ministry of Commerce

Source : Industrial Data and Digital Center Textile Industry Development Institute

Product procurement

1. Characteristics of procurement of products

The company has a head office and 2 factories with a production policy are “according to customer orders” and some companies sell directly to consumers

Headquarter No.666, Rama3 Road, Bangpongpan, Yannawa, Bangkok, 10120. Management & Administrative center and Swimwear manufacturer	Lamphun Plant No. 77, M.6 Lampang- Chiangmai Road, Bannklang, Amphur Muang, Lamphun province, 51000 Production of Ready-to- wear garments	Kabinburi plant No.216, M.5 Suwannasorn Road, Nontri, Amphur Kabinburi, Prachinburi province, 25110 Production of Knitted fabrics and ready-to-wear garments
--	---	---

2. Production capacity and production volume

	2022	2021	2020
Production capacity (Unit : Piece)			
- Production capacity (Unit : Piece)	1,200,000	1,200,000	1,163,770
- Swimwear	100,000	80,000	72,000
- Underwear	2,500,000	2,500,000	2,500,000
Total	3,800,000	3,780,000	3,735,770
Actual production volume			
- Men and Women's wear	1,152,506	1,112,494	794,091
- Swimwear	95,750	70,698	54,153
- Underwear	1,688,073	1,470,159	1,339,684
Total	2,936,329	2,653,351	2,187,928
Capacity utilization (%)	77.27	70.19	58.57

3. Raw materials/products procurement(Supplier)

The main raw materials are important in the production of ready-made garments which fabrics of the Company are knitted fabrics, woven fabrics, and yarns (knitted fabrics). The Company procures from domestic and foreign manufacturers. In the case of purchasing raw materials in the country, the company orders directly from manufacturers and importers; however, the purchase of raw materials from abroad will be purchased directly from manufacturers and through distributors in Thailand.

In 2022, the company has a ratio of purchasing raw materials domestically and internationally equal to 85:15 by choosing raw materials that are safe for consumers and do not affect the environment which is subject to the ISO 9001 quality standard and the ISO 14001 environmental standard; moreover, it has been registered with every trader (LIST OF VENDOR) and has been annually assessed both in terms of quality, on-time delivery, and quantity complete delivery. Currently, the company has 212 business partners as follows:

(Holder : Share)

Type of Supplier	2022	2021	2020
A 90 - 100 Score	205	223	213
B 80 - 90 Score	7	-	9
C less than 80 Score	-	-	1
Total	212	223	223

Regarding knitted fabrics, we use products from the company's Knitting fabric factory, which is an advantage that the company is a complete Knitting garment manufacturer from designing, knitting and manufacturing processes into ready-made garments and has continuously developed both production processes and products that are environmental friendly.

The company's products have passed international standards in term of chemicals that are safe for consumers and are accepted by both domestic and foreign customers. The company has received good cooperation from partners in controlling chemicals to meet the standards of REACH and under the environmental management system of ISO14001 standards for the purchase of knitting yarn raw materials within the country. The company will take into account upstream raw material sources that most of them are from Australia and America, which are internationally recognized upstream raw materials.

Most of the raw materials for knitted fabrics and finished garments are natural fibers, so in the process of dyeing and finishing, the company has selected suppliers that use chemicals that pass the Oeko-Tex Standard 100 standard, avoiding the use of formaldehyde and carcinogens so that the products are safe for consumers. In addition, the raw materials for packaging can be mostly recycled as well.

Besides, the certification from partners, the company is also the operator of the certification process for products that have a Green Procurement process in Upcycle products that come from recycling Pet bottles to produce a product according to the Global Recycle Standard certification in 2022. Moreover, the company processes the leftover fabric from sewing clothes by spinning to be the yarn for knitting and weaving in order to bring waste materials that are not used to be mixed with new material to use as raw materials that are recyclable in the production of Green Products.

In 2022, the company has ordered main raw materials and other raw materials from many distributors, each of them has a purchase amount not exceeding 10% of the total purchase amount, and this is in order to manage risks in procurement and in accordance with the fair and transparent procurement policy with all partners.

Operational Assets

Details are in enclosure No. 4

Work that has not yet been delivered

- None -

1.3 Shareholders Structure

Shareholding structure : Company's securities

People's Garment Public Company Limited is listed company in the Stock Exchange of Thailand having "PG" as the abbreviation. The registered capital is 96 million baht which paid up all amount and divided into ordinary shares 96 million shares at valued 1 baht per share.

The Company has never issued other securities except ordinary share.

Shareholders Structure

1. The top 10 major shareholders as of closing date on December 30, 2022

Shareholders	Number of Shares	%
1. Sahapathana Inter-holding Public Company Limited	13,228,666	13.780
2. Thanulux Public Company Limited	10,484,000	10.921
3. Sahapathanapibul Public Company Limited	8,450,000	8.802
4. I.D.F. Co.,Ltd	7,290,000	7.594
5. Mr.Boonsithi Chokwatana	5,256,666	5.476
6. ICC International Public Company Limited	5,040,000	5.250
7. Mr.Samreng Manoonpol	4,076,900	4.247
8. Naraporn Co.,Ltd.	3,730,533	3.886
9. Mr.Boonkiet Chokwatana	2,700,000	2.813
10. Thai NVDR Co., Ltd. *	2,372,767	2.472

* Thai NVDR Co., Ltd. is a subsidiary company of the Stock Exchange of Thailand operating a business by issuing and selling Non- Voting Depository Receipts (NVDR) to investors. Thai NVDR is responsible for executing the purchase or sale of those listed company shares whose investors wish to trade through NVDR. NVDR holders receive dividend the same full financial benefits as they would receive if investing in listed company but the NVDR holders have no right to vote in the shareholders' meeting. More information, please access www.set.or.th

Remark : Investors can update the shareholders information at the Company's website (www.pg.co.th, "Investor Relations : Shareholders Structure") before commencement of the annual general meeting of shareholders.

Corporate Shareholders Holding at least 5 Percent or more of all voting stock

Shareholders	Number of Shares	%
1. Sahapathana Inter-holding Public Company Limited	13,228,666	13.780
2. Thanulux Public Company Limited	10,484,000	10.921
3. Sahapathanapibul Public Company Limited	8,450,000	8.802
4. I.D.F. Co., Ltd.	7,290,000	7.594
5. ICC International Public Company Limited	5,040,000	5.250

2. Minor Ordinary Shareholders (as of March 11, 2022)

The numbers of minor shareholders (Free Float) are 607 shareholders, or 32.26 percent of the issued and paid up stock which is more than 25 percent.

3. Restriction of Foreign Shareholders

Foreigners can be shareholders but the total number of shares should not be more than 49 percent of the issued and paid up stock. As of December 30, 2022, none of foreigners hold the Company stock.

4. Shareholding Ratio of Institutional Investors

As of December 30, 2022, none of the Company share was hold by institutional investors. (According to the principles of corporate governance of Thai listed companies, it determines that the total ratio of institutional investors should be more than 5 percent)

5. Shareholders' agreement

The major shareholders of the company do not have any agreements between them. (Shareholders' agreement) or with companies in matters that affect the issuance and offering of securities or company management

Shareholding Structure in the Group of company

People's Garment Public Company Limited has no subsidiaries or affiliates company. - **No Subsidiaries or Associated Companies** -

Cross shareholding

People's Garment Public Company Limited (PG) has a cross shareholding structure, nevertheless, such cross-shareholding is not of the nature of conflicting with nor contradicting to the announcement by the Capital Market Supervisory Board No. Thor Chor 28/2008 regarding "the permission request and the permission to offer newly-issued shares", Clause 14

Cross-Shareholding Details as of December 30, 2022

Company name	Shareholding Percentage (%)	
	Shareholding by the company	Shareholding in the company
1. In the case of over 50% shareholding		
(A) Other companies holding over 50% shares in the company Cross-shareholding by the company in other companies is not allowed.	-	-
(B) The company holding over 50% shares in other companies Cross-shareholding by other companies in the company is not allowed.	-	-
(C) The company holding over 50% shares in 2 other companies and over Cross-shareholding between other such companies is not allowed.	-	-
2. In the case of over 25% shareholding, but not exceeding 50% shareholding	-	-
(A) Other companies holding over 25% but not exceeding 50% shares in the company. Over 10% cross-shareholding by the company in other companies are not allowed.		
(B) The company holding over 25% but not exceeding 50% shares in other companies. Over 10% cross-shareholding by other companies in the company is not allowed.	-	-
3. In the case of not exceeding 25% shareholding*		
(A) Other companies holding not exceeding 25% shares in the company. Over 25% shareholding by the company in other companies is not allowed.	-	-
(B) The company holding not exceeding 25% shares in other companies Over 25% shareholding by other companies in the company is not allowed.		
1. Saha Pathana Inter-holding Public Company Limited (SPI)	0.41	13.78
2. Saha Pathanapibol Public Company Limited (SPC)	0.07	8.80
3. I.C.C. International Public Company Limited (ICC)	0.60	5.25

Remark : * Only items showing cross-shareholding by the companies are displayed.

Relationship with Business Group of Major Shareholder

The Company had business operation related to textile and garments which is subject to Saha Pathana Inter-holding Public Company Limited as the Company's major shareholder. Its transactions starting from upstream to downstream with group including distribution company which would help supporting and promoting the entire business operation of the Company covering materials supply until distribution, and the such transactions are normal business transaction.

Shareholder	Holding PG Stock (%)	Relation
Sahapathana Inter-holding Public Company Limited	13.78	Being the owner of the licensed trademark "ELLE "
ICC International Public Company Limited	5.25	Being a major customer and direct distributors to consumers and owns the trademarks "ARROW" and "BSC".

1.4 Amount of registered capital and paid-up capital

Distribution of shareholdings by nationality as of the closing date of the share registration book on December 30, 2022

Shareholder				juristic person			Natural person		
	Share holder	No. of share	%	Share holder	No. of share	%	Share holder	No. of share	%
Thai Nationality	969	96,000,000	100.00	29	57,065,266	59.44	940	38,934,734	40.56
Foreign Nationality	0	0	0.00	0	0	0	0	0	0.00
Total	969	96,000,000	100.00	29	57,065,266	59.44	940	38,934,734	40.56

Distribution of shareholdings according to the ratio of shareholders holding as at the closing date of the share registration book on December 30, 2022.

Shareholder				juristic person			Natural person		
	Share holder	No. of share	%	Share holder	No. of share	%	Share holder	No. of share	%
- holding more than 0.5%	25	78,774,150	82.06	10	55,526,965	57.84	15	23,247,185	24.22
- Holding no more than 0.5% but not less than 1 trading unit	827	17,224,698	17.94	18	1,538,291	1.60	809	15,686,407	16.34
- Holding less than 1 unit trading	117	1,152	0.00	1	10	0.00	116	1,142	0.00
Total	969	96,000,000	100.00	29	57,065,266	59.44	940	38,934,734	40.56

1.5 Issuance of securities

- None -

1.6 Dividend Policy

The Company has a policy to pay dividends at a rate of not more than 50% of net profit, depending mainly on the Company's operating results and economic conditions. When the Board of Directors has approved the annual dividend payment must be presented for approval at the shareholders' meeting unless it is an interim dividend payment. The Board of Directors has the authority to approve the payment of dividends and report to the shareholders' meeting in the next meeting.

Dividend payment information in the past year

	2022	2021	2020	2019	2018
Earnings per share (Baht)	0.45	0.11	(0.46)	0.03	1.00
Dividend per share (Baht)	0.20*	0.10	0.10	0.20	0.25
Dividend payment ratio (%)	44.14	90.21	-	636.60	24.99

Remarks

* The Board of Directors Meeting No. 1/2023 held on February 23, 2023 resolved to propose to the Annual General Meeting of Shareholders No. 44, scheduled to be held on Tuesday, April 25, 2023, to approve the dividend payment at the rate of 0.20 baht per share, paid from the net profit that the company has already paid corporate income tax at the rate of 20 percent.

2 Risk Management

2.1 Risk Management Policy and Plan

The company attaches importance to risk management by recognizing that it is a management process that requires organizations to set the plan to prevent and mitigate impacts to business operations and operating results in order to build confidence in achieving goals with balancing under the change in business environment and prevent potential losses from various uncertainties. In addition, it considers risk management to be an essential component of every business process.

Moreover, this must be linked at all levels in order to be clear in all level. The Board of Directors has set Risk Management Policy and has established a Risk Management Committee to oversee the overall risk management for maximum effectiveness.

2.2 Risk Factors of the Company's Business Operations

The management of effective risk, it is taken into consideration as extremely important to the sustainability of the organization because it supports the organization to achieve its goals under the changing circumstances to response to the needs of all stakeholder groups and prevent any losses that may occur from various uncertainties. In doing business, there must be a connection at all levels, and a risk management policy has been established throughout the organization that all employees must adhere to it in order to keep the risk at an acceptable level.

1. Risks from customer structure due to the less numbers of local key customers or major distributors

DOMESTIC

The Company produces textiles and garments according to customers' specifications by having ICC International Public Company Limited (ICC) as its domestic distributor. The sale orders accounted for 71.54 percent of total domestic sales, and accounted for 58.80 percent of total sales.

The company strongly believes that this customer will continue to place orders in the long run. From the preceding, both partners have had an excellent relationship and collaborated on developing business with approach strategy and launching new products to meet demand and providing greater satisfaction to customers.

The company still focuses on producing quality products and developing products to meet the needs of customers, and along with being safe for consumers and friendly to the environment. This is order to maintain continuity of orders and increase more volume from current customers and find more new customers.

OVERSEAS

Distributions to overseas, company has been distributing its products to all continents such as Asia, America and Europeans Union for building selling base and dispersing risks of small numbers of customers. The company maintains the ability to produce efficiency products which reaching customer's satisfaction by its quality and delivery.

However, the company has been seeking new customers in order to have more sales volume.

2. Risks from investments

The company invests in accordance with the policy and proportion of investment management specified by Board of Directors which is agreed that the Executive Committee to supervise management of investment in accordance with the specified policy and proportion. The company will review the policy and proportion of investment management on a monthly basis.

The company has managed the risks that may occur by investing in companies in the stock market and outside the stock market, and also determine the amount of investment in order to diversify investments appropriately.

Regarding fixed income instruments, the company will invest in bonds, deposits, money market funds and private bonds, the company has managed risks that may occur by investing in many institutions and setting credit limits for each financial institution. Moreover, in order to diversify investments appropriately and to ensure that if there is damage, it will affect the investment in a limited amount.

In addition, the Company has monitored investment risk status to ensure that the risk value is within the predetermined level and the company also has reviewed the limit setting, managing money and investment in accordance with the situation and risks that may occur.

3. Risks from exchange rate fluctuations

The company has exported products to foreign countries and raw materials are imported such as machinery - equipment from abroad which may be slightly affected by fluctuations of foreign exchange rates.

The Company has a policy to manage foreign exchange risk to reduce the impact of exchange rate fluctuations by balancing revenues and expenses denominated in foreign currencies (Natural Hedge), including money management in foreign currency deposit accounts (Foreign Currency Deposit) and buying-selling foreign currency in advance (Forward) to be used as a guideline for effective foreign currency management.

4. Risks of Old-Fashioned products

The company produces and distributes ready wear garments, leathers, and knitted fabrics which are fashioned products and rapidly changed. In 2022, company had inventory 365.70 million baht or 44.39 percentages of current assets and 21.91 percentages of total assets, product turnover rate was 2.49 times, and Sales period 146 days. More inventories lead to old-fashioned as they are not sold out in fashion time caused a high maintenance cost. The company need to set allowance obsolescence or impairment that make net profit and liquidity of the company declined.

However, the company has managed inventory not to hold them long period. The slow moved products will be on sale promotion activities. Besides, information system will be applied for analyzing the data in order to have efficiency of inventory management.

5. Risks from credit loans

In order to increase sales volume of the company, the company has distributed product to local and overseas market to gain more various customers, So risks from credit loans may occur when debtors fail to abide by the terms of their agreement with the company and this may affect the level of working capital and company liquidity.

The company has managements and policies to prevent such risks by determining processes to carefully consider credit limit for new customers, the company will consider credit limit as well as searching and analyzing financial statements of customer individually. Regarding existing customer, the company has collaborated with customer to closely coordinate and monitor in order to reduce the risk and shorten the due payment.

In addition to carefully granting credit loan, The company has a policy to set allowance for doubtful accounts from the due date This set is take into account the effect of the probability of a weighted-average for Time Value of Money and information that is reasonable and supportable.

2.3 Risks from corruption

The Board of Directors attaches great importance to compliance with the principles of good corporate governance. This is considered as a key foundation for sustainable business development and value creation to lead to a competitive business by regard to account the long-term effects and conduct business with ethics and transparency, fairness, responsibility, and caution under the law related to regulations and standards.

The company has an anti-corruption policy and compliance with anti-corruption policy as a guideline for company director, management, and staff; moreover, there is also monitoring of compliance in accordance with the policy as well as providing channels for reporting clues about actions that imply any corruption or violation of the Anti-Corruption Policy; moreover, there is a complaint response process, complainant protection including systematically reporting the results of the action to the complainants with a process that is appropriate and fair.

2.4 Risk from the Compliance of Personal Data Protection Act

The Company places importance on information security risk management as well as to supervise the operation in accordance with the law related to regulations including the Personal Data Protection Act, which if the company is unable to take action to manage such risks and it will affect the continuity of business operations, credibility and image are significant.

The Company therefore has established measures to prevent and reduce the impact of the risk of non-compliance according to Personal Data Protection Act through measures.

- Appointing a person to be directly responsible for supervising and controlling personal data by establishing a personal information security policy within the organization.
- To organize training to educate and understand the requirements of the law to create awareness and understanding of the regulations of the law.

2.5 Emerging risks

1. Cyber Security Risk

Regarding business operation, The company has applied information technology systems to increase work efficiency, process and collect important business databases and personal information. This may lead to risk factor of cyber threat that affect business continuity credibility, image, and reputation of the company. Cyber Threat Issues Nowadays, cyber-attacks come in various forms and tend to increase continuously. In addition, more technology is used to attack through various channels; moreover, the business operations and competitive conditions have driven companies to use digital technology to increase work efficiency.

The Company is aware of the serious danger and impacts. Therefore, there are risk management measures to be issued, which there are actions in the following matters:

- Preparation and announcement of company requirements on information system security management policy to make the use of information systems efficient and practical for companies and employees at all levels.
- Set up an information security management and management system covering segregation of duties for accessing the operating system, controlling access to systems and data backup system recovery and Disaster recovery plan which requires that the disaster recovery plan be tested twice a year
- Installing an antivirus program to prevent cyber-attacks, updating once a week and follow up on new threats to keep up with the current situation; moreover, this is to be able to set proactive defenses plan before being attacked.
- Raising awareness of cyber security related to various threats, such as educating on how to operate, prevent, and information technology laws that are relevant to employees at all levels.

2. Risks posed by climate change

From global warming and climate change to the environment, society and economy are becoming more severe; as a result, the government began to focus on and clearly set greenhouse gas emissions targets.

The company is aware of such risks and impacts; therefore giving importance and management from the procurement of raw materials to the production process including related activities and provide an environmentally friendly procurement process. Moreover, it has invested in clean energy (solar cells) in 2 factories, both Lamphun and Kabinburi. which complies with the increasing environmental standard ISO 14001: 2015. In addition, there is an increase in the number of green areas to help reduce global warming as well.

3 Driving business for sustainability

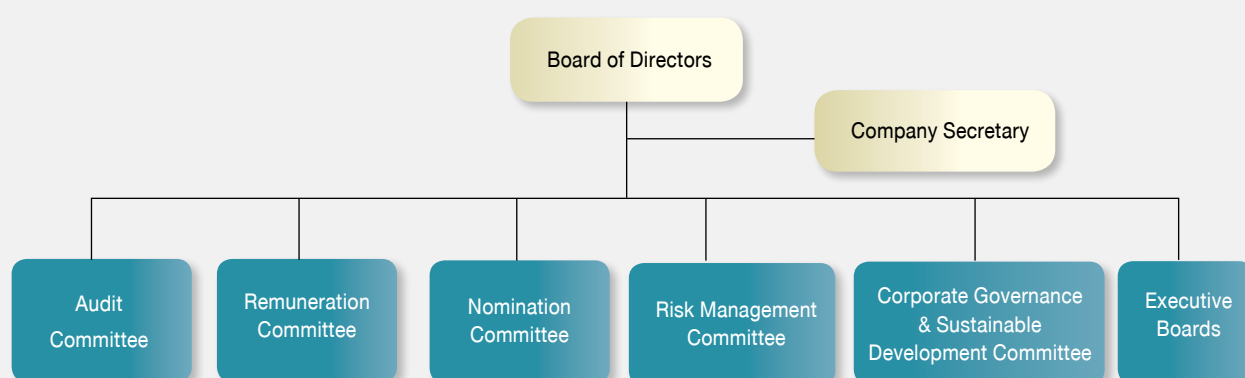
The company has prepared information to express the operating results for the year 2022 from 1 January - 31 December 2022 related to sustainability management which is also related to economic, social and environmental issues that the company has prepared and published information by referring to the preparation of sustainability reports in accordance with the indicators of the Global Reporting Initiative Version Standard (GRI Standard 2018) and the UN Sustainability Development Goals.

The content and essence of this 2022 report, the company focuses on operating according to business direction, vision and corporate strategy, good corporate governance principles and concrete practices of corporate values. In addition, the importance of personnel development is considered the main important which will lead the organization to sustainable success by developing competencies, skills, including retaining employees and building employee growth along with the organization.

Integrated Sustainable Development Structure

Under the management of the Board of Directors that focuses on driving the business towards an integrated sustainability; as a result, there is re-organize an organizational structure which consists of 6 sub-committees, namely the Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, Corporate Governance and Sustainable Development Committee, and Executive Committee.

The company assign the Corporate Governance and Sustainable Development Committee to be responsible for setting policies, rules, and guidelines for various aspects of the company's operations in accordance with the principles of good corporate governance and social responsibility to drive the company towards sustainable success.



Business direction

The company has integrated social responsibility, starting from the beginning with social activities and donations toward to the development of sustainable management processes by linking social responsibility in line with the strategy, vision, and mission of the organization in order to create sustainability in business operations.

Policies and goals for driving business to be sustainable development

People's Garment Public Company Limited has a sustainable development policy with a business approach that takes into account 3 aspects of responsibility: environment, society, and corporate governance as a framework for implementation business in order to avoid impacts on the environment, together with the promotion of well-being in society including conducting all activities with fairness, transparency and accountability.

Environment : The company is committed to carbon neutrality and develop products that are environmental Friendly

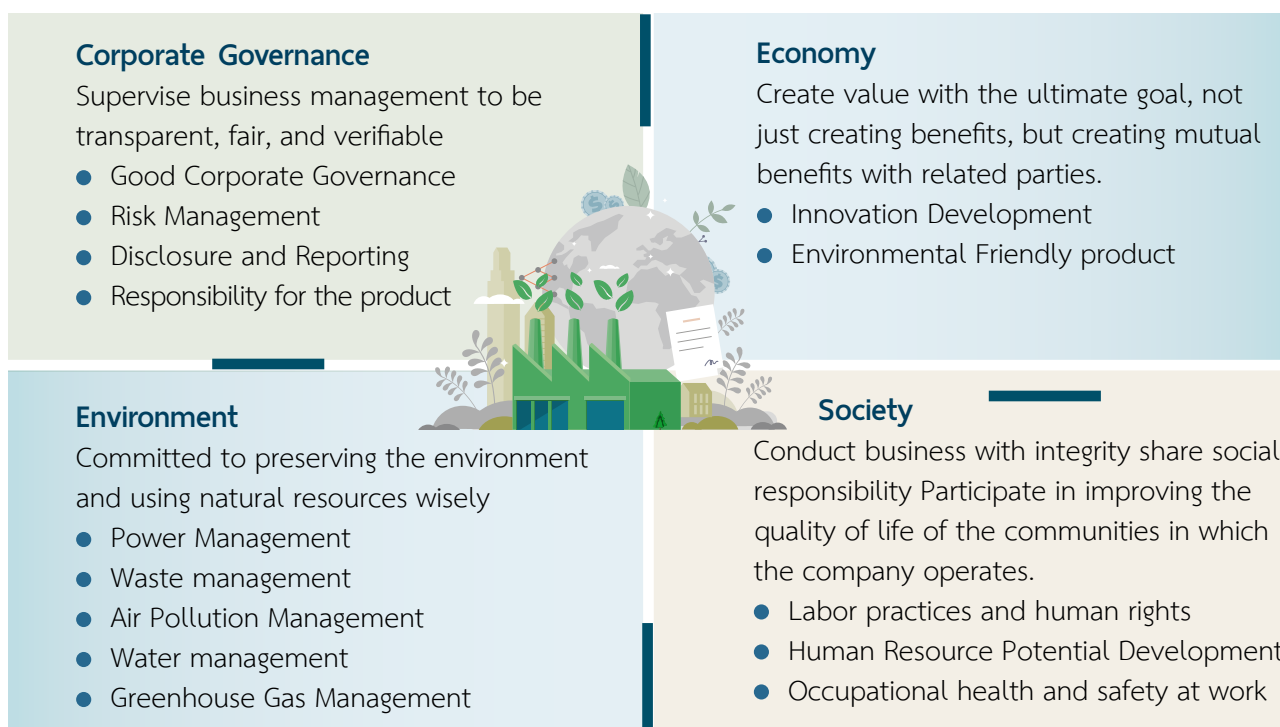
Social : The company conducts business with ethics to all stakeholders and adhering to the policy of conducting business with social and community responsibility by focusing on developing the potential of employees and to create benefits for the communities and society that the Company operates its business.

Governance : Encouraging employees at all levels to have a sense of ethics and morality and comply with good corporate governance principles business ethics Code of Conduct for Executives and Employees and anti-corruption policy of the company. In addition, as well as overseeing the establishment of an internal control system and proper internal auditing to reduce the risk of corruption and abuse of power as well as preventing illegal acts.

Management Approaches and Performance

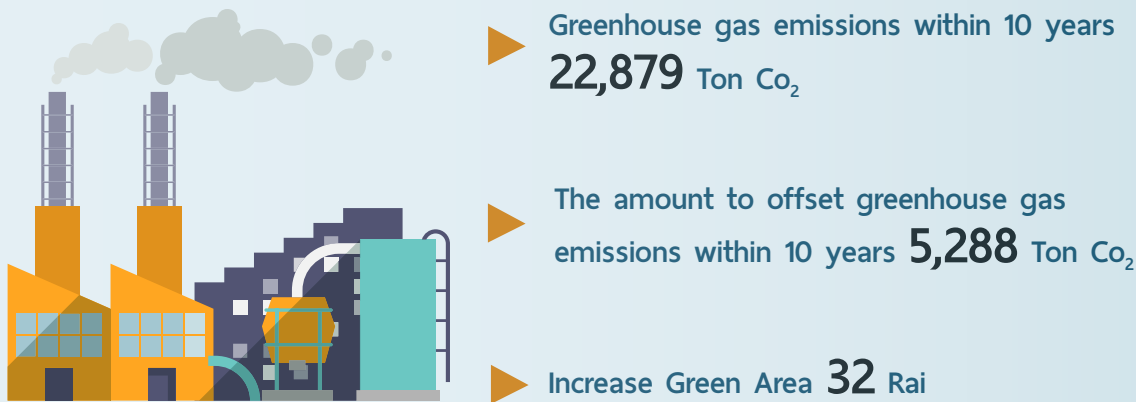
The Corporate Governance and Sustainable Development Committee consists of independent directors, directors, (Chairman of the Executive Committee Executive Vice Chairman) and Executive Director, and working group for sustainability. They are responsible for presenting work plans and results to the Board of Directors and relevant sub-committees acknowledged under the scope of responsibility for sustainable operations. There is a committee to oversee the overall operation covering 3 dimensions: governance and economy, environment, and society in order to support sustainable development issues as part of the business including giving advice on operational guidelines and indicators in order to achieve the goal of "creating carbon neutrality and developing environmentally friendly products".

Environmental and Sustainable Development Practices



performance Sustainability

The company continually operates on sustainable development covering economic, social, and environmental dimensions The direction and goals are set in accordance with the indicators of the Global Reporting Initiative Version Standard (GRI Standard 2018) and the UN Sustainability Development Goals. The progress of the implementation is as follows.



Managing the impact on stakeholders in the business value chain

The company takes into account the essential issues of business operations which covers the economy, society and the environment related to the company’s stakeholders to know the operational guidelines to respond to the expectations of stakeholders which is an important factor in maintaining competitiveness, and create long-term value to support the company’s business operations to achieve sustainability.

Value Chain of the Business

The Company’s business operations are divided into main activities which are related to stakeholders with various activities as follows:



The company has a sustainable supply chain management policy to treat business partners according to the framework of business ethics and good governance with equality transparency, fairness, verifiable, and giving importance to the development and knowledge exchange with trading partners. Moreover, the company also focus on building a good relationship in working with partners to improve the quality of products and services with the intention to support and promote partners towards sustainable business operations.

Policies and guidelines for business ethics with business partners

The Company treats business partners with equality and takes into account mutual benefits by prescribing policies and guidelines as follows

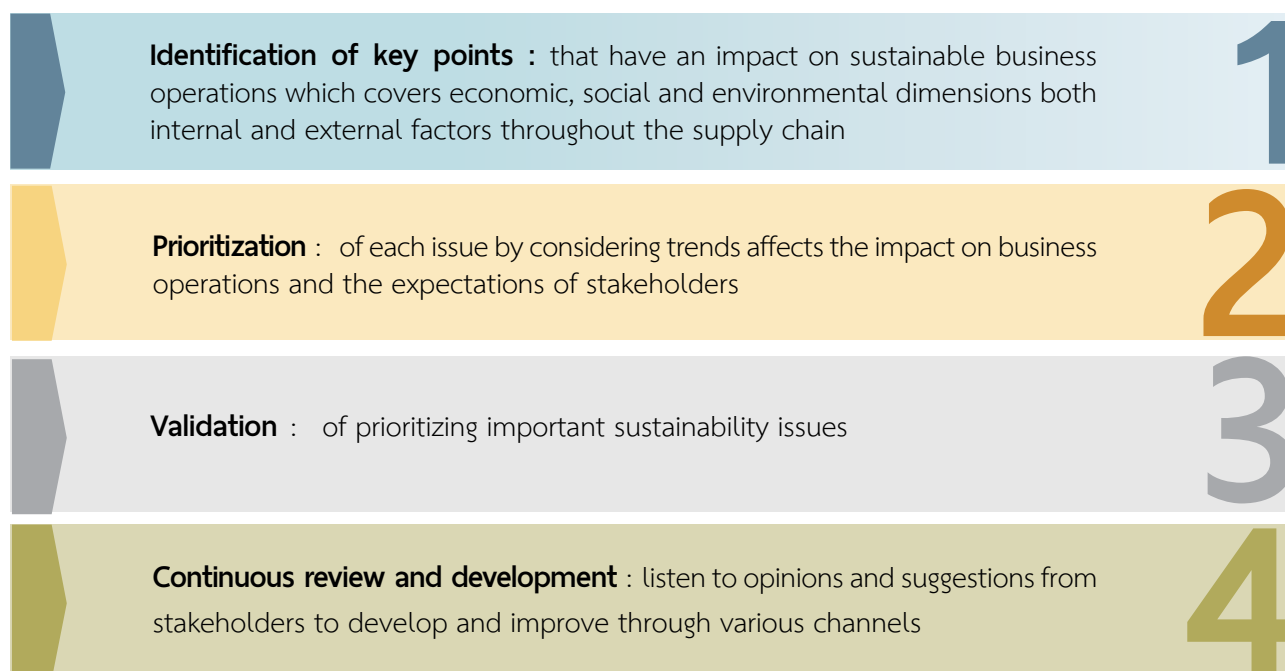
1. There is a system for selecting trade partners in the supply chain who operate businesses according to the law and to comply with safety and occupational health standards environmentally friendly; moreover, the business partners are treated on the basis of fair competition and equality and respect each other.
2. Maintaining the confidentiality or communications of trading partners. Do not use it for our own benefit or those involved in the wrongful way.
3. Building good relationships and mutual understanding, exchange knowledge and sharing to jointly develop and add value to products and services for growing together.
4. To comply with trade agreements and provide accurate information, in case of it cannot be performed, it should be negotiated with trading partners in advance to jointly find out the proper solutions and preventing such damage.
5. Do not agree to accept or take a bribe, asset, and other benefits from anyone which is not listed in the trade agreement.

Monitoring and Improvement to develop a participation process of stakeholder

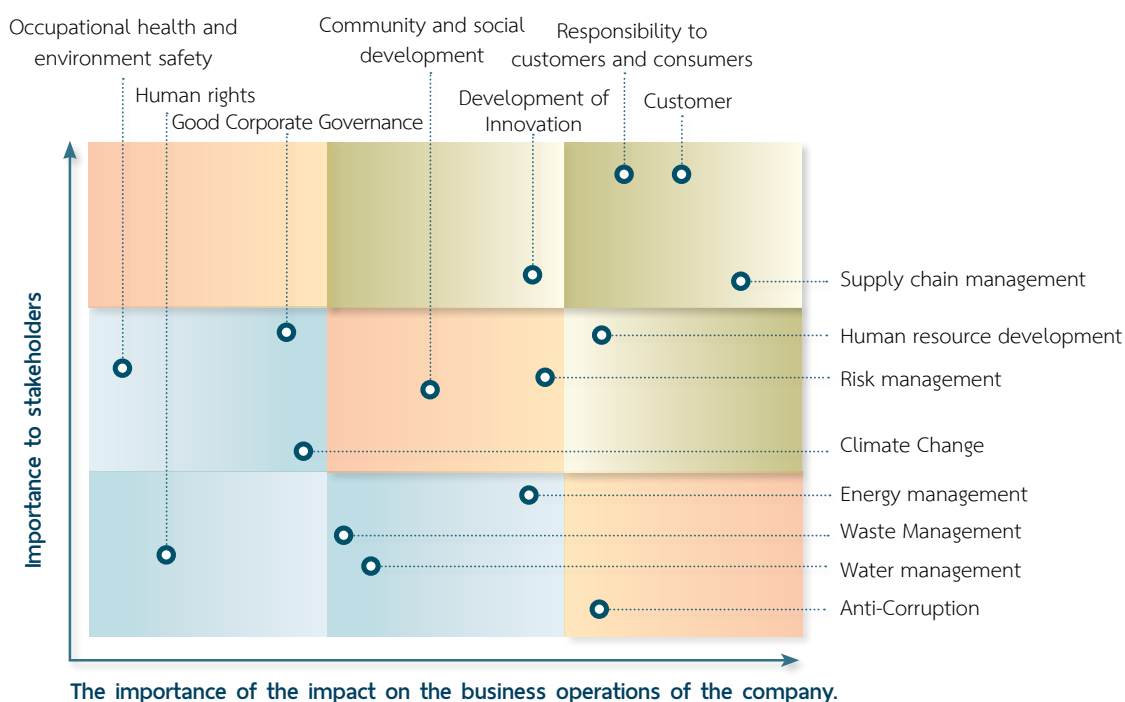
Based on the analysis of stakeholders, the company will follow up and evaluate the stakeholder engagement process to improve the efficiency of the process in the future and formulate an integrated plan which based on recommendations obtained from stakeholder participation on key issues of the company. This is to reflect that the company values participatory processes and stakeholder feedback in determining the strategy and implementation of the Company's projects, as well as disclosing information to the public

Assessment of Key point

Identifying and prioritizing economic, social, environmental and governance issues that affect the company and its stakeholders. It is the basis for determining the way of doing business to make sure we have sustainable business development by taking into account the changing context both in economic, social and environmental aspects including the acquisition of key point issue consists of the following processes:



Sustainability issues	Importance of the issue	Scope of impact					
		Customer	Partner	Shareholder	Employee	Social & Community	Environment
1. Responsibility to customers and consumers	Quality products and safe for consumers	●	●				
2. Development of Innovation	Product innovation that is good and safe for consumers	●	●				
3. Customer relationship management	Responding to customer needs and handling complaints	●					
4. Supply chain management	Consistently oversee and control process performance	●	●		●	●	
5. Good corporate governance	Conducting business with transparency to be fair to all groups of stakeholders	●	●	●	●	●	●
6. Risk management	Minimize the loss of not achieving the goals and maximize the opportunities for the organization	●	●	●	●	●	●
7. Anti-Corruption	Preventing to claim benefits illegally	●	●	●	●	●	●
8. Human rights	Respecting human rights with equal equality indiscriminately				●		
9. Human resource development	To enhance and develop the potential of personnel for the greatest benefit of the organization.				●		
10. Safety, Occupational Health and Environment	Hygiene care and Safe working environment				●		
11. Energy management	The use of renewable energy					●	●
12. Water management	Increasing the efficiency of using recycled water					●	●
13. Climate change	Reduce greenhouse gas emissions					●	●
14. Waste management	Reuse and consider the potential of utilization					●	●
15. Community and social development	Creating an atmosphere of coexistence in society					●	



Sustainability management on economic dimension

The company adheres to good corporate governance principles and business ethics which it is a guideline for conducting business with transparency and responsible to all stakeholders; moreover, it promotes competitiveness and long-term business growth and it also seriously pay attention to the importance of Anti-corruption and it is instilled it into the corporate culture.

1. Good corporate governance

To conduct business in accordance with good corporate governance principles The Board of Directors appoints Corporate Governance and Sustainable Development Committee in driving good corporate governance issues, business ethics, Code of Conduct for Executives and Employees Including anti-corruption. The Good corporate governance policy has been announced which is prepared as a practical manual “Good Corporate Governance Principles” Anti-Corruption Policy and communicated to executives and employees. It is disseminated through the company’s website (www.company.co.th), intranet system, through training and orientation for acknowledgment and practice in the same direction in order to create the best benefits for the organization and stakeholders. In this regard, a process for whistleblowing about illegal manner has been established to encourage all employees to report misconduct safely.

The Board of Directors has reviewed the principles of good corporate governance which consists of “Corporate Governance Policy good corporate governance principles business ethics and code of conduct for company directors, executives and employees” on an annual basis. (Details can be found in the topic “Corporate Governance Policy”)

In 2022, there was no situation that was inconsistent with the above policies and the company has not received any complaints from stakeholders.



For more information of “Ethics in Business Operations Code of conduct for company directors, executives and employees ” to be published more on the company website www.company.co.th under the topic “Good Corporate Governance”

2. Anti-Corruption

The Board of Directors has established an anti-corruption policy so that all operations and procedures are carried out correctly, in accordance with the rules and regulations of the company. The Corporate Governance Committee is responsible for promoting the compliance with the mentioned policy so that all levels of relevant parties comply with the policy, practice, and various regulations that are related Code of Conduct for Company Directors, Executives, and Employees. Moreover, the company are committed to resist any type of corruption through realizing that bribery and corruption and hazardous to fairness and freedom competition. These also damage economic and social development, moreover, the company's policy for business advantage is not to offer any bribery or reward in regardless of direct or indirect manner or even third party such as customers, partners, external agency/organization, and government officer, and this is to maintain business benefits or advantages. Moreover, the company has policy not to offer bribe or reward to rush any facilitate or benefit to its business.

The company has published Anti-Corruption Policy and Compliance with the Anti-Corruption Policy on the website www.pg.co.th under the subject of "Good Corporate Governance".

The company attaches great importance to combat the corruption and The Company attaches great importance to combat the corruption and cultivate it as corporate culture by orientation to new employees the "pre-work preparation program". In addition, the company has provided training courses "Expansion of the anti-corruption alliance" for the company's partners to communicate to partners about their roles and benefits of joining the anti-corruption alliance with the Company. It is including a refresher training for executives and employees in the course "Role of executives and employees in anti-corruption" to review and create understanding of measures to promote participation for sustainable success.

3. Risk and Crisis Management

The Company has established a risk management policy at the corporate level and conduct risk assessment to cover social and environmental issues as well as having risk management and also determine appropriate risk indicators and risk management plans with monitoring and continuously evaluate risk management of the company. For example, the COVID-19 epidemic crisis that affects business operations and crisis management plan including measures to deal with public health (epidemic, communicable diseases) as well as promoting risk management learning for directors, executives and employees regularly.

4. Customer Relation Management

The company has developed customer satisfaction as well as conducting a customer satisfaction assessment in order to use the obtained information to improve products and services or business processes in line with customer requirements.

5. Supply Chain Management

The company has managed the supply chain efficiently by determining criteria and processes that can identify which trade partners are the Company's key trade partners. There is a process for monitoring suppliers and analysis of the risks arising from the Company's suppliers covering social and environmental issues. It is considered as part of the procurement policy as well as taking part in raising awareness of sustainable business operations for partners through the establishment of projects to promote and develop business partners for long-term sustainable business operations.

6. Tax operation

The company has a tax policy aimed to operate in comply with relevant laws and use a tax structure that does not cause tax evasion to show that the company has performed its duties as a socially responsible organization, the company has disclosed the tax policy and the actual tax rate paid to stakeholders.

7. Business innovation for society and environment

The Company places importance on creating business innovations for society and environment to create value-added for the organization and its stakeholders as well as continually create value for society and the environment.

Product innovation “COOL MODE” and Energy saving label No.5

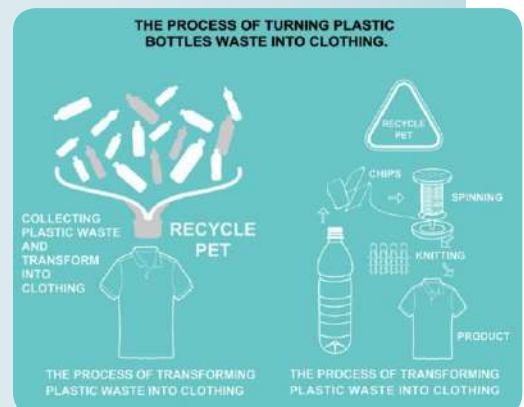
Innovative fabric with special properties in absorbing moisture and venting sweat well, it is safe for consumers and environmentally friendly which has features that make the wearer feel cool, that consumers can wear it indoors or in the rooms with air conditioning temperatures of 25 Celsius degree without feeling uncomfortable. This reduces the use of electricity, the Cool Mode products have been certified to quality certification and qualification testing standards from the Thailand Textile Institute (THTI) and the Greenhouse Gas Management Organization (Public Organization) with permission to use the “COOL MODE” label as the first company in Thailand.

The company develops products that are certified with the energy saving label No. 5 “Energy saving, comfortable to wear, no need to iron”, The products subject to label No. 5 are brands ARROW, BSC COOL, PRIMO and fabric products.

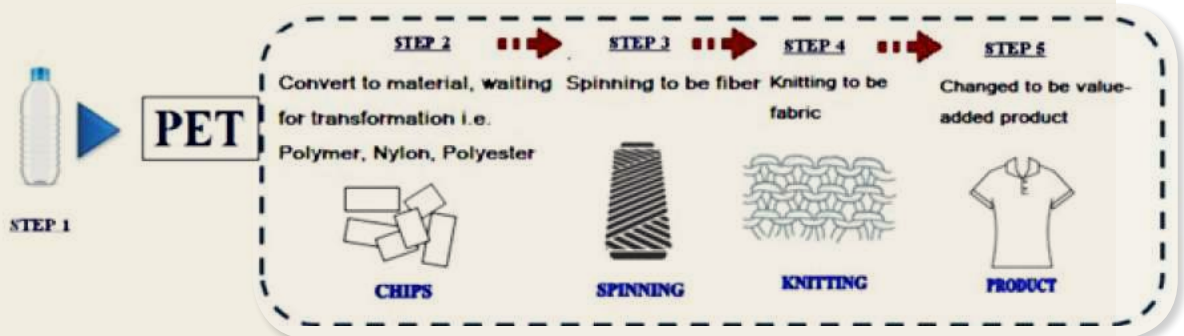


Upcycling: Turning waste PET bottles into clothing products

The company is committed to creating quality products along with preservation for sustainable environment with the development of Upcycling products. PET plastic bottle waste is transformed into clothing products under the ARROW brand. In addition, it has added a function to absorb perspiration and wick away the perspiration quickly for a comfortable and dry when wearing; moreover, the fabric is smooth and soft touch texture, more comfortable, and well Air-ventilated.



The process of turning plastic bottle waste into clothing products



Recycle Innovation “Upcycling Upstyling Project Year 3rd ”

An important activity that GC has carried out for the third year consecutively that is the Upcycling Upstyling project, which in 2022 is a key strategy to drive the circular economy in the country through collaboration throughout the process between Product brand (Owner), designer (Designer), and developer of recycled materials (Converter) to transform to be various products with recycled materials.

Based on total product sales volume, the company can reduce greenhouse gas emissions by 25 Ton Co₂

SORONA Innovation by DUPONT

SORONA is an innovation of natural fiber extracted from corn. The fabric made from SORONA fibers which has a strong structure, it is good flexibility like spandex, soft touch, comfortable to wear, and good heat ventilation. Moreover, it is anti-pilling to reduce hairiness on the fabric, wrinkle resistant, and shape retention. More importantly, it is also resistant to UV and chlorine, so it keep color vibrant and easy to maintain as normal fabric

Moreover, it can also be recycled and biodegradable naturally, The company therefore sees the importance and recognize as another alternative to create sustainability and environmental friendliness under the Brand “ARROW”.

8. Security Cyber and Personal Data Security

The Company has set guidelines for managing cyber security and personal data security by appointing a person who is responsible for oversight and management of information technology security. Moreover, the company establishes guidelines for the security of information and information systems, defines guidelines for the prevention of information technology security, and measures to test safety systems and monitor incidents.

9. Quality management

The company has a quality control system in every step of the operation to produce quality products and is safe for consumers with the emphasis on quality management sustainably reduce the impact on the environment

The company realizes the importance of environmental management through a systematic production process to comply with the relevant standards as follows:

- Product quality management system ISO 9001:2015 from the design process, procurement of raw materials, sewing, quality inspection, and product packaging which can be inspected in every process and it has been certified to the environmental management system ISO14001: 2015.

- Quality inspection process and international standard quality testing laboratory system to ensure that the product has color fastness to washing, safe from chemicals and is strong with durable throughout the lifetime which can meet the quality requirements for European (ISO), America (AATCC) and Japan (JIS) customers.

- Certified Global Recycle Standard (GRS), which is an international standard by developing innovative products made with fibers spinning from 100% recycled plastic bottles, plastic waste is recycled to reduce pollution problems that affect water sources and the environment.

It creates confidence and be confident that the company has continuously developed various systems and standards in accordance with the product quality policy. **“Commitment to produce quality products, on time delivery, and continuous development”**

Sustainability Management on Social Dimension

The company pays attention to social operations to reduce risks and impacts on the organization, it also shows the company's commitment to social care and transparency to stakeholders.

1. Fair labor practices and Respect to Human Rights

The Company recognizes the importance of human resources, human rights, and equality. Moreover, the company believes that potential employees is an important factor in driving business and creating competitive advantage for business.

The company has established a human rights policy to cover employees and stakeholders of the organization, such as the employment of people with disabilities, to give employees the opportunity to participate in negotiating welfare and any deals that affect employees, and etc.

In 2022, total employee was 738 persons.

Gender (%)	By age		By nationality	
	Range of age	Number of people (%)	Nationality	Number of people (%)
Male 167 person (23%)	Less than 30 year	212 persons (28.73%)	Thai	620 persons (84.01%)
Female 571 person (77%)	Between 30-50 year	400 person (54.20%)	Myanmar	106 persons (14.36%)
	More than 50 year	126 person (17.07%)	Cambodia	12 person (1.63%)

The company supports the employment of people with disabilities to create opportunities and adding value to the disabled to have a better quality of life, to have human dignity and be accepted in society for being able to live in society completely

Employment rate for people with disabilities	2022		2021		2020	
	Required by law	Number of people	Required by law	Number of people	Required by law	Number of people
Disabled person (Person)	7	10	7	9	7	11

Remarks : According to the Act on Promotion and Development of the Life of Persons with Disabilities, the proportion of employment of persons with disabilities is 1 person per 100 employees.

2. Development of Employee potential

The company recognizes that potential employees are a key factor in driving business strategy including increasing opportunities in product development and business innovation. Moreover, it is yet another method in motivating personnel to work together and to participate in the development of the organization at the same time.

Management Approach



- Promoting development through operations
- Promoting the training for employees at all levels
- To assess the need for development
- To build good relationship between executives and employees.

Performance of Business operation

Strategies for systematic employee development by dividing into 3 levels

Development of Executive Level

Aiming to strengthen the vision and business strategies in line with the changing situation.

Development of Operational Level

to enhance knowledge, professional of depth expertise, continuous Improvement by emphasizing on knowledge of the basic curriculum and vocational courses

Development of Management level

Focusing on developing knowledge and skills in management and resources to achieve goals.



The company has systematically set guidelines for developing the potential of employees. This covers from the analysis of necessary of training or evaluation of employees including determining the direction of employee potential development systematically, and setting goals for promoting knowledge in order to be able to monitor training results as follows:

Type of Course	Important Objectives	Name of Course
Basic course	Focusing on practical training on work systems along with important ethics in work to encourage employees to have a good attitude towards work.	<ul style="list-style-type: none"> - preparation before practice or operation - Creative communication to increase work efficiency - work regulations and knowledge of social security - Roles of executives and employees in anti-corruption - Global Recycled Standard (GRS) Policy and Requirements - Guidelines for the development of an eco-industry at the community level
Vocational courses	To promote expertise and experience in stimulating the development of strategy-building skills for personnel in business, sales and production section.	<ul style="list-style-type: none"> - Upgrading labor skills in the field of industrial sewing machines - Kaizen for increasing productivity and continuous improvement - Sewing process control according to ISO9001:2015 standard - Needle use and maintenance for knitting machine - Update tax year 2022 - Training Road Map
Occupational safety and health courses	To create understanding and awareness of safety and reduce the risk of hazards while working	<ul style="list-style-type: none"> - Basic of firefighting and annual fire evacuation drills - Preparation when an earthquake occurs - Safety at work related to electrical work - Safety at work for general employees - Safety Officer, Management Level, Supervisor - Food sanitation training for food handlers

Average training hours

	2022	2021	2020
Average training hours (Hours/ Person /Year)	4.59	5.04	10.59



3. Motivating and Retaining Employees

The Company realizes that attracting and retaining potential employees will be able to maintain the ability to compete in business and having the opportunity to succeed according to the corporate strategy. Therefore, guidelines for motivating and retaining employees have been established with clear evaluation criteria and Standard compensation and it is the information for determining the employee's work efficiency improvement program. Evaluate the level of satisfaction or engagement of employees towards the organization, and to analyze and create projects to develop satisfaction and improve employee care, as well as communicate evaluation results to employees for acknowledgement and disclose employee turnover statistics to show commitment to continuously develop and upgrade employee care.

Employee retention The production of good and quality products comes from qualified employees who have knowledge and work skills, as well as love and commitment to the organization. The company therefore pays attention to the care of employees to stay with the organization, such as taking care of employees' health, giving scholarships to employees' children, giving souvenirs for 10 years, 20 years and 30 years of work, and etc.



Statistics on hiring new employees

Hiring new employee	2022	2021	2020
Number	170 person	165 person	97 person
Percentage	23.04	23.74	13.86

Employee turnover statistics

To indicate employee turnover statistics which is classified by years of work in order to monitor and assess the organization's ability to retain employees. Main reasons for leaving work due to personal occupation and taking care of family

Resign employee	2022	2021
Number	25 person	32 person
Percentage	3.39	4.60

4. Health and Safety of working environment

Occupational health and safety policy

The company has an occupational health and safety management system to keep employees healthy and working safely in an appropriate environment to comply with standards and legal requirements related to safety. In addition, there is setting goals for the development of safety, occupational health and working environment along with standards for health care and safety of employees including measures to prevent and reduce risks arising in the operational process.

Occupational health and safety goals	Performance
1. No accident resulting in absence from work for more than 3 working days cumulative > 1,500 working days	Able to work 1,400 working days
2. The incidence of occupational diseases is zero.	0 person

Knowledge promotion to create awareness and be able to cope with risks from the work environment.

The Company recognizes the importance of work safety as the first priority in all activities. Beside to the security policy clear and concrete, there is also The Safety Occupational Health and Working Environment Committee (OHS&E Committee) to perform duties of inspecting various work areas including risk assessment before work process changes. It also requires a safety inspection of machinery and equipment before operation, Supervision of supervisors' operations according to safety measures as well as creating working behaviors with regard to safety strictly.

Compliance with safety and environmental laws

The company places importance on compliance with the law, Strict safety standard and environmental regulations, It is defined as a practice guideline through a safety policy, The Safety Occupational Health and Working Environment and the company's environmental policy. Moreover, there is a monitoring to comply with the law and regulations standards related to business operations. In 2022, there were no violations of safety and environmental regulations and laws.

Personnel development for the awareness of safety and health

The company promotes knowledge to make employees aware and able to cope with risks from the working environment, including the prevention of cotton dust pneumonia, Protection from loud noise, Safety in electrical work, Safety in the use of chemicals, Use of Personal Protective Equipment (PPE). Moreover, being prepared to deal with emergencies and disasters, for example, basic and severe firefighting training, Earthquake Preparedness, Chemical Spill Control, and First Aid with Transport of Wounded people.



Emergency Drills and Disaster Preparedness Training

The Company attaches importance to preparedness and response for emergency situations and readiness for efficient handling with disasters. It has prepared emergency response plan to lay down guidelines and procedures for timely suppression. There are 4 plans altogether, i.e. preparedness and response for emergency situations in case of fire, chemical and oil spills, and boiler leakage or explosion. There is regular training and knowledge review for employees and fire evacuation drills once a year for safety in order to reduce the loss of life and property of employees and the company as well as to build trust among stakeholders in the organization and nearby communities.



Basic firefighting training and fire escape drills



Earthquake training

Occupational Health and Health Promotion

The Company recognizes and places importance on the promotion and maintenance of employees' health in the following areas:

- Providing knowledge and training on occupational and environmental diseases for employees exposed to risk factors before and during work with related risk factors include lighting, noise, otton dust, chemicals and ergonomics issues.
- Procurement of chairs that are suitable for the body and have backrests for production staff to reduce fatigue from work
- Stretching activities to reduce fatigue from work and prevent office syndrome, this has been carried out continuously in all branches for the 15th consecutive year.
- Annual health check-ups and health checks based on risk factors, including hearing impairment, Lung function and chemistry in the body and the result of Health check-up ts based on risk factors is normal for everyone
- Breast cancer screening with Digital Mammogram and Ultrasound by specialist radiologists by Thanyarak Center Siriraj Hospital which has operated continuously for 10 years



Working environment

The company monitors the working environment, such as light, noise, heat, dust, the amount of chemical concentration in the working area, air quality from the stack emission to monitor and control environmental quality in the work area not to exceed the legal standard. This is to prevent disease from working for employees including reducing the impact on the environment and nearby communities.



Sound pressure monitoring in the work area

Monitoring air quality from ventilation stacks



Checking the adequacy of light in the work area

Summary of results of environmental measurement in the work area

Parameter	Unit	measurement results	Standard Criteria	Pass the Standard
Total Suspended Particulates	mg/m ³	116	≤320	p
Oxide of nitrogen	ppm	<3.8	≤200	p
Sulfur dioxide	ppm	<1.3	≤60	p
Carbon Monoxide	ppm	431	≤690	p
Opacity scale	%	5	10	p

Zero Accident Campaign

The company has participated in the Zero Accident Campaign with the Institute for Promotion of Occupational Safety, Health and Working Environment to campaign for all employees has participated in the reduction of work-related accidents. In 2022, there were no cases of work-related injuries resulting in lost time.

Therefore, the company received a Platinum level award for the 7th year of no accidents from work that resulted in 18,882,280 continuous working hours and received the honorary award for the outstanding model business establishment safety Occupational Health and Working Environment 2022, National Level (Diamond Level) for the 8th consecutive year



5. Participation with communities and society

The company places importance on participation with the community and society by analyzing the problems or needs of the community/society. The company may use the results of the analysis to develop strategies for working with communities or solving social problems to have direction clear and sustainable operations as well as monitoring the results and benefits that occur according to the strategy.

The company promotes and supports the employment of local communities to create opportunities and develop the long-term of self-reliant potential of the society and community.

The company employs communities in Mae On District, Chiang Mai Province and Serm Ngam District, Lampang Province, accounting for 2.98%.

In addition, the Company places importance on social responsibility by supporting activities for public benefit through various charitable organizations such as Somdet Phra Nyanasamvara Foundation, Supreme Patriarch of Wat Bovoranives Vihara, under the royal patronage, as well as donating blood and donating miscellaneous items to the Thai Red Cross Society, Dr. Thiam Chokwatana Foundation, etc.



6. Involvement of other stakeholders



The company has set up a process to create participation with all groups of stakeholders to acknowledge the expectations of stakeholders before carrying out any activities of the organization, i.e. providing opportunities for stakeholders to participate with the organization, the spread of COVID-19, the crisis to create long-term value for all groups of stakeholders.

Sustainability Management on environmental dimension

The company has an internal environmental management system. It can help companies plan operations and collect environmental data in a systematic way and having a environment management system with a tendency to continuously develop environmental performance including cost reduction and reduce the potential financial risks associated with violating environmental requirements.

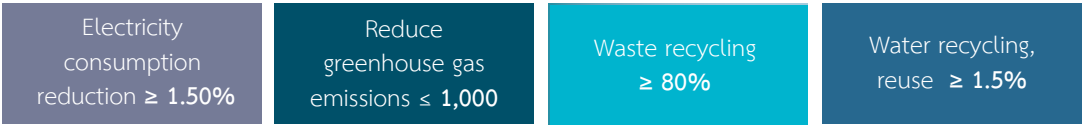
The company has set policies for management and environmental protection that cover important issues in operations in accordance with environmental requirements according to ISO 9001:2015 and ISO 14001:2015 standards and environmental issues that are material to the business including impact control environmental factors that may arise from business activities, such as pollution, waste, or the level of resource utilization, etc. The company assigns responsible persons to manage and oversee environmental operations including the processes used in environmental management within the organization along with setting environmental performance as a goal or one of the company's indicators as well as encouraging employees to participate in environmental management within the organization.

Environmental Sustainability Framework



The Company aims to grow its business along with sustainable environmental development throughout the supply chain from the raw material procurement process as well as to the waste management to be able to benefit both the company and society which has continued the policy of conducting business with responsibility that emphasis on participation in environmental conservation and driving society towards sustainability. There is a guideline to drive through the main projects, namely energy conservation adding green area, waste reduction along with communicating knowledge on environmental issues to employees to create knowledge and awareness of the importance of the environment for employees at all levels.

arget of the year 2025



1. Use of resources effectively The company is aware of the management and use of resources for maximum efficiency by reducing the use of natural resources, reduce unnecessary waste generation, the utilization of resources in the production process covers Electricity/energy consumption, water consumption, waste reduction from production process Including waste or other related pollution.

The company is committed to conserving energy by using energy in the most efficient way. There is a goal to use renewable energy which has implemented a solar power generation system installation project coupled with the installation of energy-efficient equipment for use in the operation of the company which is to reduce energy costs and it can also reduce greenhouse gas emissions that is a major driver of climate change.

Performance results : Proportion of compared electricity consumption

	2022	2021	2022
Proportion of electricity consumption to income (%)	1.48%	1.57%	1.78%

Project to install solar cells on the roof

The objective is to increase the proportion of electricity consumption from solar renewable energy in business operations. This leads to a reduction in energy costs and a reduction in greenhouse gas emissions which has installed solar cells on the roofs of both factories 847.7 kWp

Operational performance



Renewable Energy 978,630 kWh



Reduce greenhouse gas emissions 384 Ton CO₂

Waste management

The company strictly manages the waste that arises from production processes in compliance with the law; moreover, the company uses the 5R waste disposal principle, including (Reduce):- reducing or using as little as necessary, (Reuse):- the action of using something again, (Repair):- repairs and fixes them to be able to continue to use, (Reject):-to avoid the use of things that causes pollution, (Recycle) :- the processing to reuse something. This is to have the circulation and use of resources to be highest efficiency, the company divides waste into 4 categories: general waste, compostable waste, recycled waste and hazardous waste.

The company has general waste management, Recyclable waste and Degradable waste in accordance with the law of the Ministry of Industry and environmental management system standard ISO 14001: 2015, where disposal procedures are established, from waste segregation, storage and inspection to be ready for transportation and select a waste disposal contractor that is legally licensed

Performance Result : Proportion of reusing waste to benefit

	2022	2021	2020
The proportion of waste that is recycled (%)	74%	73%	64%

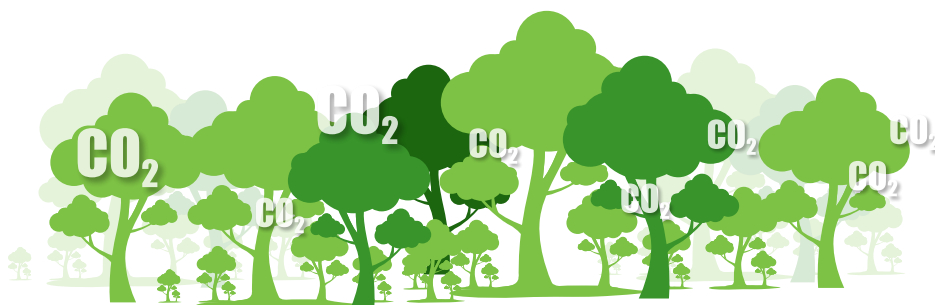
2. Climate Management The company gives importance to business operations that could affect climate change by being prepared to deal with potential impacts and participating in reducing greenhouse gas emissions which is the cause of global warming.

Performance Result : Reduce greenhouse gas emissions.

	2022	2021	2020
Amount of greenhouse gas emissions (Ton CO ₂)	1,008	1,155	1,252

Reforestation project

Reforestation project National Reserved Forests, Tha Rit Forest, Lam Thong Lang Forest, and Lam Phaya Klang Forest, Saraburi Province which is a cooperation according to the permanent reforestation project in honor of His Majesty the King with the objective of restoring forest areas and return the forest to the Pa Sak River Basin which is the main source of life for the community. It is also part of the natural way to store carbon to solve the problem of climate change.



Performance Result

Rehabilitate forest areas **32** Rai

Reduce greenhouse gas emissions

951 Ton CO₂

3. Product Responsibility The company takes into account the management of environmental impacts from the products due to trends of current climate change and world population growth; as a result, the amount of natural resources used in the production of products is reduced.

The Company therefore focuses on environmental impact management with the use of unused raw materials and/or packaging reuse to reduce the use of exhausted resources, including reducing air and water emissions, reduce waste, reduce energy consumption or resources in the process of using the product or the biodegradability of the product in nature through the innovation of the company.

4. Responsible procurement of raw material The Company has a policy on sourcing raw materials responsibly in covering guidelines for reducing the use of chemicals protection of biodiversity, proper use of water resources , sourcing of raw materials produced by producers who operate business in comply with laws and operate in a manner that respects human rights. (Not using child labor, non-forced labor, and Not using foreign workers)

Selection of partner

The company has set up a process of inspection and selection by considering trading partners both in terms of potential, code of conduct and ethics by the company's partners. This is not only complying with quality standards relevant laws but still have to conduct business with responsibility to society, community and environment. The company has assessed the operational standards as well as the impact of business operations. It was found that all partners agreed to strictly adhere to the guidelines and guidelines of the company in accordance with ISO 9001 and ISO 14001 quality standards.

Performance Result : Suppliers who pass the quality standard ISO 14001 (person)

	2022	2021	2020
A Grade	212	216	206
B Grade	-	7	17

5. Water management The company has policies and management plans related to water use in the organization and assess the impact that may change the quantity or quality of water.

The Company realizes the importance of water management within the organization which is water for the consumption of employees mainly by establishing a systematic water management approach throughout the organization campaign to create awareness among employees in using water for worthiness and maximum benefits. The management approach is both for consumption in offices and factories, the management focuses on the main issue that is reducing water use, recirculating water to be useful and treating used water before releasing it to the outside environment.

Performance Result : Water recirculation, reuse

	2022	2021	2020
The amount of water that is circulated for reuse	1.35%	1.72%	1.44%

Regarding to follow up on the results of wastewater analysis released from the Kabinburi branch factory which is located in Saha Group Industrial Park Kabinburi found that the waste water will be brought into the process of the central wastewater treatment system before being discharged to the outside and the industrial park has assigned Eastern Thai Consulting 1992 Co., Ltd. to measure the quality of wastewater on a monthly basis.

Report on the results of effluent water testing from factories in Saha Group Industrial Park, Kabinburi.

Report Date	BOD5 (mg / L)	COD (mg / L)	Oil & Grease (mg / L)	pH at _°C	Total Suspended Solids (mg / L)	Physical Appearance
18-01-65	12.5	100	< 3.0	7.5 at 25°C	11.1	Yellow , Lightly SS / Normal
18-02-65	18.0	95	< 3.0	7.7 at 25°C	18.8	Yellow , Lightly SS / Normal
15-03-65	24.9	116	3.2	7.9 at 23°C	19.8	Brownish , Lightly SS / Normal
18-04-65	15.4	79	ND	7.6 at 23°C	10.9	Yellow , Lightly SS / Normal
19-05-65	12.7	65	ND	7.5 at 27°C	13.0	Yellow , Lightly SS / Normal
20-06-65	22.4	99	< 3.0	8.0 at 24°C	21.2	Yellowish , Lightly SS / Normal
18-07-65	25.8	112	ND	7.5 at 26°C	30.1	Yellow , Lightly SS / Normal
16-08-65	21.2	71	3.9	7.5 at 26°C	15.2	Brow , Lightly SS / Normal
14-09-65	15.1	64	ND	7.1 at 24°C	16.3	Yellowish , Lightly SS / Normal
17-10-65	6.8	< 40	ND	7.5 at 23°C	9.0	Yellow , Lightly SS / Normal
16-11-65	18.4	86	< 3.0	7.4 at 23°C	22.8	Yellow , Lightly SS / Normal
17-12-65	14.2	70	ND	7.4 at 23°C	14.8	Yellow , Lightly SS / Normal
METHOD	5 - Day BOD Test, Membrane Electrode	Close Reflux , Titrimetric	Partition Gravimetric	Electrometric	Dried at 103 - 105°C	Container : PE 1.5L , PE 1.0L , PE 0.5L , G 1.0L
STANDARD/1	< 500	< 750	< 10	5.5 - 9.0	< 300	

- REMARK : 1. /1 Effluent quality standards from factories allowed to enter the central wastewater treatment system of the Saha Group Project - Kabinburi (community), 6 June 2017
2. ND = Not Detected / MDL = Method Detection Limit (MDL of Oil & Grease = 2.0 mg/L)
3. Sampling By Mr.Sitpong Hadrakchai (๓-003/2-๙-9276)



4 Explanation and Analysis of Performance and Financial Standing

The year 2022 is still the year of recovery from the COVID-19 epidemic and is likely to gradually return to normal; however, The global economy may still face several challenges and there is a vulnerability in the early stages of recovery.

If Compared to other countries around the world, Thailand is one of the countries in the group of slow recovery because there is a high proportion of dependence on the tourism sector, the impact of COVID 19 has affected the economy to stagnate for more than 2 years. In 2022, this will be the first year that the Thai economy has obviously started to recover. An important factor comes from vaccination causing the domestic economy to begin forwardly start It is including welcome foreign tourists which is regarded as one of the main sources of income in Thailand.

Therefore, the driving force of the Thai economy in 2022 will mainly come from the spending of the people in the country in both of consumption and investment including domestic travel. This will replace the slowdown of exports section after accelerating the recovery previously which is according to the direction of the global economy while the income from foreign tourists will clearly increase since the second half of 2022 onwards.

Synopsis of Performance

In 2022, the Company had total sales amounted 687.17 million baht, increased by 12.17 percent, with total net profit amounted 43.50 million baht. Total assets of the Company amounted 1,671.29 million baht, increased by 2.43 percent. Total debt amounted 210.04 million baht, decreased by 6.95 percent. Shareholders' equity totaled 1,461.25 million baht, increased by 3.93 percent, which the conclusion of the cause of change and significant data analysis are explained as follows.

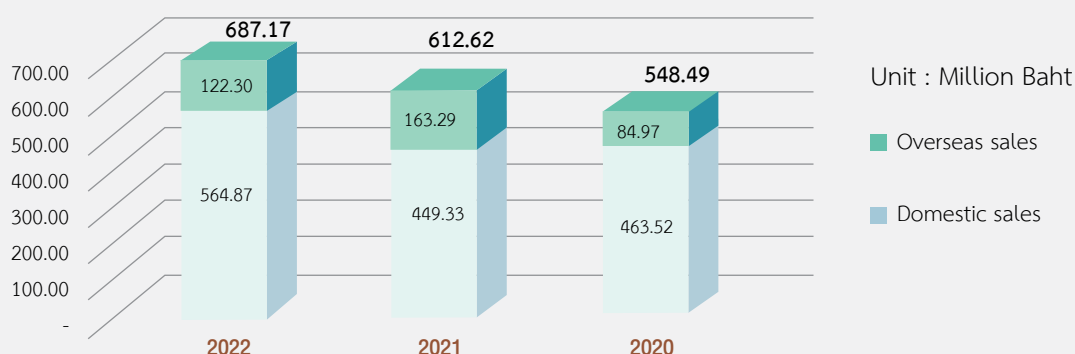
1. Analysis of Performances

Sales revenue :- In 2022, the Company had sales revenue amounted 687.17 million baht, while in 2021 its revenue amounted 612.62 million baht which increased by 74.55 million baht or 12.17 percent.

This is due to increase of domestic sales from the previous year amounted 115.54 million baht or 25.71 percent as a result of the Covid-19 epidemic has become better, the measures to control the outbreak have been relaxed causing the economic activities in the country resume. Consumers have changed to spend more time outside the home. The company realizes the importance of such changes; therefore, we focus on launching new product with setting up the marketing plan by focusing on online marketing in terms of both Social Media Marketing and Online Marketing to expand marketing and sales opportunities continuously.

Revenue from overseas sales decreased from the previous year by 40.99 million baht or 25.10%, this is due to The customer increased the order to solve the problem of cargo congestion causing customers have sufficient amount of inventories in stock. Therefore, in the third quarter onwards, customers slow down their orders to expedite the discharge of customer inventories including the economic problems of the customer. However, the customers have confidence in our potential and product quality. Even though the company still has few customers, but the company can produce quality products and delivered in time to meet the needs of customers to make customers confidence and trust.

Sales from revenue



Other Revenues

In 2022, The Company had other revenues of 59.72 million baht and 48.05 million baht in the 2021, which increased by 11.67 million baht or 24.28 percent, the increasing of Dividend income by 13.06 million baht, and the profit from the sale of investments measured at fair value through the income statement, increased by 0.75 million baht, decreased interest income by 1.71 million baht, and other income decreased by 0.43 million baht.

Unit : Million Baht

Other revenues	2022	2021	%Increased (Decreased)
Received Dividend	25,687	12,629	103.40
Received Interest	4,842	6,556	(26.15)
Profit from sale of investment measured at fair value through the income statement	10,254	9,498	7.96
Others	18,934	19,367	(2.23)
Total of Other Revenues	59,717	48,050	24.28

Cost of Sales

In 2022, The Company's cost of sales amounted 79.63 percent of sales revenue, if compare to the year 2021 which was 82.92 million Baht, it decreased by 3.29 percent compared to the previous year as a result of the preparation of raw materials, employee skill development in order to increase production efficiency.

Sale Expenses

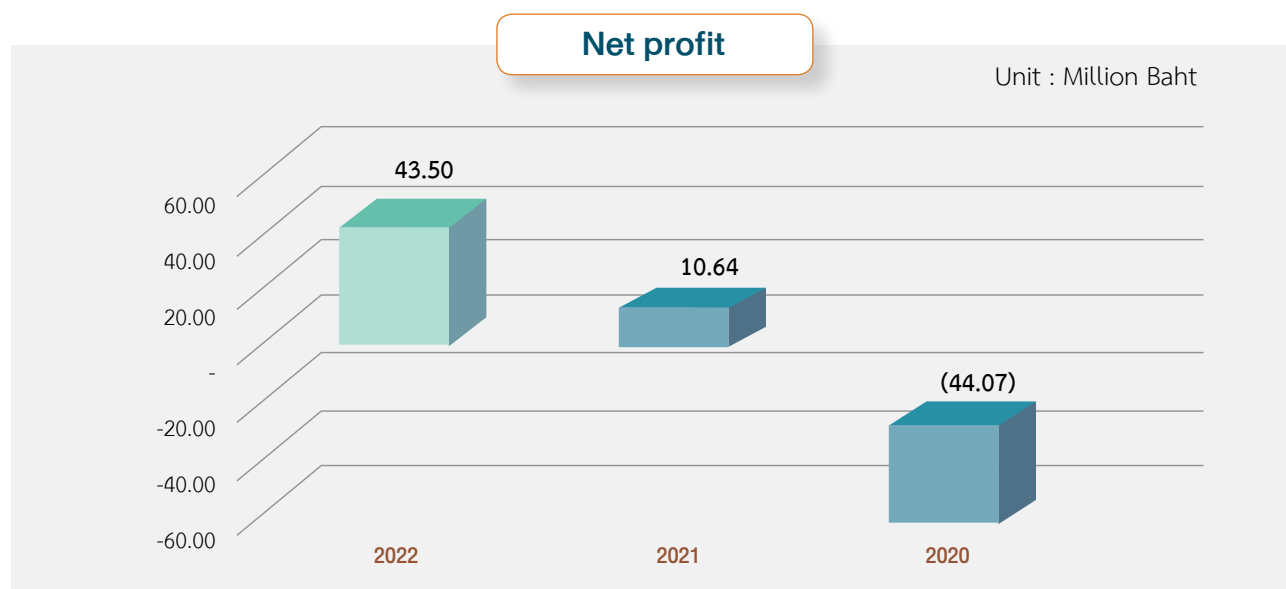
In 2022, the Company had administrative expenses amounted 149.29 million baht, in the year 2021, the administrative expenses amounted 135.65 million baht, it increased by 13.63 million baht or equivalent to 10.05 percent as a result of increasing of sales so the company has more expenses in terms of employee. However, the company also places importance on the development of its personnel to have knowledge and multi skills to develop the work including saving other expenses.

Administrative Expenses

In 2022, the Company had administrative expenses amounted 149.29 million baht, in the year 2021, the administrative expenses amounted 135.65 million baht, it increased by 13.63 million baht or equivalent to 10.05 percent as a result of increasing of sales so the company has more expenses in terms of employee. However, the company also places importance on the development of its personnel to have knowledge and multi skills to develop the work including saving other expenses.

Net profit

In 2022, the Company had net profit amounted 43.50 million baht, whereas in 2021 had net loss amounted 10.64 million baht, so the total profit increased from previous year by 32.85 million baht. Net profit per share amounted 0.45 baht.



Shareholder Returns

Rate of Shareholder Returns of the company in the year 2022 was 3.03 percent, which 2021 was 0.76 percent, the company gained more net profit and Shareholders' equity increased due to measuring the fair value of investments ; however, the company had loss on sale of investment to measure fair value through other comprehensive income and dividend payment.

According to the Company's dividend payment policy, the dividend will be paid at the rate of not more than 50 percent of net profits which is mainly subject to the Company's performances and economic circumstances. In 2022, the company had net profit amounted 43.50 million baht, profit per share amounted 0.45 baht. On February 23, 2023, the Board of Directors' meeting No. 1/2023 then had the resolution to propose to the annual general meeting of shareholders on dividend payment at the rate of 0.20 baht per share totaling 19.20 million baht, which will be paid on May 24, 2023.

2. Financial Standing

As of 31 December 2022, the Company's total assets were 1,671.29 million baht, increased by 39.59 million baht or 2.43 percent compared with the total balance in the previous year. The Company's current assets decreased amounted 33.61 million baht and non-current assets increased 73.19 million baht. Total assets of the Company comprised of cash and cash equivalents equaled to 1.57 percent; trade debtors and others debtors 7.19 percent; inventories amounted 21.88 percent; Other Non-current assets due within 1 year equivalent to 0.09 percent; Other Current assets equivalent to 18.34 percent; Other Non-current-assets equivalent to 41.18 percent; land, property and equipment amounted 8.68; Right-of-use asset equivalent to 0.72 percent; and others equivalent to 0.35 percent.

Current Assets

As of 31 December 2022, current assets of the Company amounted 823.85 million baht, decreased from the previous year by 33.61 million baht due to other current financial assets in order to manage

the risk of fair value measurement. Therefore, the investment was changed to other non-current financial assets. Trade accounts receivable decreased due to the slowdown of orders from foreign customers while inventory increased to prepare for sale to customers.

Cash and Cash Equivalents Cash and cash equivalents of the Company amounted 26.25 million baht, which previous year amounted 35.58 million baht, decreasing amounted 9.33 million baht due to investment activities amounted 27.81 million baht but it was spent 20.75 million baht in operating activities and 16.39 million baht spent on financing activities

Trade account receivables and other receivables As of the current amount of 120.14 million baht, decreased 17.58 million baht, consisting of trade accounts receivable of 117.97 million baht, other receivables of 2.17 million baht, total trade accounts receivable which were not yet due for payment of 105.92 million baht or equivalent to 88.16 percent. Receivables that are overdue for less than 3 months, amounting to 12.00 million baht or 9.99 percent and overdue not more than 6 months in the amount of 0.05 million baht or 0.04% due to the customer's payment policy does not meet the payment cycle of the company and other account receivable amounted 2.17 million baht or 1.81 percent, and the company has set up an allowance for doubtful accounts in the amount of 0.01 million baht.

Inventories Inventory of the Company amounted 365.70 million baht, increased by 37.45 million baht due to management of finished-goods for selling to customer in time.

Inventories of the Company amounted 365.70 million baht comprises of Raw material amounted 102.03 million baht, Work- in process product amounted 22.43 million baht, finished products amounted 266.86 million baht, and supplies amounted 3.26 million baht. Moreover, the company also expresses inventories in financial statement with a lower cost or market price. However, if there is a product that is deteriorated or outdated, the company has considered reducing the value of the product according to the accounting standard. The company has set aside for obsolete products in the amount of 28.87 million baht.

Other current financial assets: The amount is 306.58 million baht, consisting of Investments measured at fair value through the income statement in the amount of 202.80 million baht, private funds amounted 12.56 million baht and, open-end funds and fixed deposits of 91.22 million baht.

Other non-current financial assets which matures within 1 year: The amount of 1.50 million baht is debt securities which matures in one year.

Non-current Assets

As of 31 December 2022, non-current assets of the Company were 847.44 million baht, increased from the previous year by 73.19 million baht resulting from Fair value appraisal of other non-current financial assets.

Other non-current financial assets As of December 31, 2022, Non-current financial assets amounted 688.20 million baht, consisting of investments in the stock exchange amounted 226.30 million baht, unrealized gains from fair value appraisal of 274.45 million baht, Investments outside the stock exchange amounted 50.55 million baht. There was an unrealized gain from revaluation of 26.90 million baht and debt instruments of 110 million baht.

Land, Property and Equipment As of 31 December 2022, the Company had land, property and equipment valued 145.08 million baht, the previous year amounted 144.30 million baht, increased by 0.78 million baht, as a result of the debit of depreciation amounted 10.11 million baht and buying more machinery, equipment and others, which increased 10.89 million baht.

The Rights-of-use assets As of December 31, 2022, in the amount of Baht 12.03 million baht, IFRS 16 stipulates that leases are required to recognize assets and liabilities for leases agreement with a lease term is more than 12 months. The company has leasehold rights amounted 29.94 million baht, increased in the year by 0.35 million baht. The remaining value at the beginning of the year amounted to 17.32 million baht, and amortized during the year 5.64 million baht.

Total Liabilities

As of 31 December 2022, the Company had total liabilities amounted 210.04 million baht, decreased by 15.70 million baht or 6.95 percent from the previous year due to the decreasing of trade account payable.

Shareholders' Equity

As of 31 December 2022, shareholders' equity of the Company amounted 1,461.25 million baht increased by 55.28 million baht or 3.93 percent from 1,405.97 million baht in the previous year because the company had net profit in the year 2022 amounted 43.50 million baht, and pay dividend from retained earnings amounted 9.6 million baht. There was loss from sale of investment to be measured at fair value through other comprehensive income of 2.13 million baht, and other factors of the shareholders' equity increasing amounted 23.51 million baht. The Company had book value per share at the end of 2022 counted as 15.22 million baht, as previous year amounted 14.65 million baht, which increased 0.57 baht per share.

3. Asset Quality

Other current financial assets

The Company has investments in other current financial assets of 306.58 million baht, comprising investing in investments fund in the stock market that measure fair value through income statement of 190.41 million baht, unrealized profits of 12.38 million baht, private funds of 14.75 million baht. There was unrealized profit of 2.19 million baht, and invest in open-end funds of 91.22 million baht.

Unrealized gains from fair value measurement are expressed in the Company's income statement. However, the investment that the company invested was very good asset quality; moreover, it also yields in the form of dividends at a satisfactory rate and higher than bank deposit rates.

Other non-current financial assets

The Company had investments in other non-current financial assets totaling 688.20 million baht, consisting of investments in the stock market that measure fair value through other comprehensive income of 226.30 million baht, unrealized gains from fair value valuation of 274.45 million baht, investment outside the stock market of 50.55 million baht, generating unrealized gain from fair valuation amounted to 26.90 million baht and debt instruments amounted to 110 million baht.

Unrealized gain on net fair value appraisal from income tax, which is presented in other components of shareholder's equity. This is caused by changes in securities prices that fluctuate according to operating results and economic conditions. This is an investment with a very good quality of assets. Moreover, it also offers a favorable dividend yield and higher than the bank deposit rate.

Land, Property and Equipment

At present, property, plant and equipment had values in market price more than values shown in the financial statement. The number was shown in the form of the cost deducted by accumulated depreciation. The Company had managed the assets and caused revenues in some part of properties and factories through

rental. For machineries, most of them were modern and had efficiency for production because the Company had always bought new machineries to replace the old machines and always kept good maintenance. In 2022, the company invested in solar cells at the Kabinburi branch and this is additional investment which the company used to invest in the factory at Lamphun branch.

4. Liquidity

Cash Flow

In 2022, the Company had cash and cash equivalents of 26.25 million baht, the previous year was 35.58 million baht, decreasing of 9.33 million baht. The company had net cash used from operating activities of 20.75 million baht from operating profit amounted 20.74 Million baht, other current liabilities of 24.43 million baht, Trade accounts receivable of 16.28 million baht, Other current asset decreased by 2.41 million baht and other non-current assets decreased by 0.28 million baht but there was cash used from inventories in the amount of 39.72 million baht and trade payable in the amount of 37.97 million baht. including Long-term employee benefits were paid 6.66 million baht and payment of tax payables of 0.53 million baht.

There was a cash flow from investing activities of 27.82 million baht, derived from debt securities and fixed deposits held until maturity of 25 million baht, dividend received of 25.69 million baht. Interest received in the amount of 5.42 million baht derived from the sale of equipment in the amount of 0.31 million baht. The Company invested in other net current financial assets of 34.69 million baht, invested in other non-current financial assets, net of 52.40 million baht, invested in machinery and equipment for use in business operations of 10.89 million baht.

The use in financing activities in the amount of 16.39 million baht paid the lease liabilities under the lease agreement of 6.03 million baht, pay interest on lease liabilities of 0.76 million baht. The company has paid dividends from retained earnings at the rate of 0.10 baht per share, amounted 9.60 million baht

Adequacy of Liquidity

The Company had proper liquidity in 2022 ratio was 8.75 times and was 7.94 times in 2021. Quick liquidity ratio of 2022 equivalents to 4.87 times and was 4.90 times in 2021. Cash and cash equivalent were adequate for dividend payment and future investment. Furthermore, the Company had very low debt to equity ratio. As ended of 2022, it was 0.14 times and 0.16 times in 2021 resulting to the Company's wealth and adequacy of liquidity.

Financial Ratio		2022	2021	2020
Liquidity Ratio	Time	8.75	7.94	10.71
Quick Liquidity Ratio	Time	4.87	4.90	6.82
Debt to Equity ratio	Time	0.14	0.16	0.15

Sources of Capital

The Company's capital spending for operation and investment was from gain on operation and investment. For short-term investment, bonds/debentures and bank deposit were considered as gain on interest receivable and dividend. The Company had no interest-bearing liabilities. Most of the Company's liabilities shown in the financial statement were trade creditors, other creditors, deferred income tax liabilities and provision for employee benefits and liabilities under lease agreements.

Commitments

The details are provided in the Notes to the Financial Statements clause 28, Commitments and Contingent Liabilities.

Financial		2021	2020	2019
Liquidity Ratios				
Current Ratio	Times	7.94	10.71	11.29
Quick Ratio	Times	4.90	6.82	7.04
Activity Ratios				
Account Receivable Turnover	Times	4.69	4.45	5.31
Average Collection Period	Days	77.86	82.00	68.76
Inventory Turnover	Times	2.72	2.18	2.66
Average Sale (Inventory) Period	Days	134.24	167.36	136.98
Account Payable Turnover	Times	6.26	6.98	7.59
Average Payment Period	Days	58.27	52.26	48.07
Cash Cycle	Days	153.83	197.10	157.68
Total Asset Turnover	Times	0.42	0.37	0.45
Fixed Asset Turnover	Times	4.06	3.91	5.51
Leverage Ratios				
D/E Ratio	Times	0.16	0.15	0.12
Modified Interest Coverage Ratio	Times	(0.03)	(0.05)	(0.04)
Dividend Payout Ratio	%	90.21	-	636.60
Dividend Yield Ratio	%	1.50	4.03	3.74
Profitability Ratios				
Gross Profit Margin	%	17.08	17.46	22.73
Net Profit Margin	%	1.74	(8.04)	0.43
Return on Asset	%	0.77	(2.69)	0.60
Return on Equity	%	0.76	(3.10)	0.20

5 General Information and Other Significant Details

5.1 General Information

Company's name	People's Garment Public Company Limited "PG"
Registration number	0107537001552 Registered as a juristic person under the law on public companies on 29th September, 1988
Type of business	Operate business of Textile and Garment
Head quarter	666 Rama3 Road, Bangpongpan, Yannawa, Bangkok, 10120 Tel. 0-2685-6500 Fax : 0-2294-5159 Website : http://www.pg.co.th
The company has no associated companies / subsidiary company.	
Registered Capital	96,000,000 Bath
Classified into: Common Stock	= 96,000,000 หุ้น
Preferred Stock	- None-
Par value of	1 baht per share
Issued and fully Paid-up capital 96,000,000 Baht	

References Persons

Registrar of securities :	Thailand Securities Depository Company limited The Stock Exchange of Thailand Building, 93 Ratchadapisek Rd, Din Daeng, Bangkok 10400. Tel : 0-2009-9999 Fax : 0-2009-9991
Auditor :	Ms.Orawan Techwattanasirikul Certified Public Accountant Registration No. 4807 Mrs.Kingkarn Asavarangsan Certified Public Accountant Registration No. 4496 Ms.Rasaporn Dejarkom Certified Public Accountant Registration No. 5659 Ms.Sumana Phanpongsonan Certified Public Accountant Registration No. 5872 Ms.Kirdsiri Kanjanaprakasit Certified Public Accountant Registration No. 6014 Ms.Pimjai Manitkajornkit Certified Public Accountant Registration No. 4521
EY Office Limited 33rd Floor, Lake Ragada office Complex 193/136-137 Ragadapisek Road Klongtoey, Bangkok 10110 G.P.O.Box 1047, Bangkok 10501 Thailand Tel. : 66-2264-9090 Fax. : 66-2264-0789-90	

5.2 Other Important Information

Investment in the other companies by being shareholder 10% or more

Company Name	Type of Business	Paid-Up Capital	Share Holding		Ratio
			Shares	Amount (Baht)	
Thai Sports Garment Co., Ltd. 666 Rama 3 Road, Bangpongpan, Yannawa,Bangkok 10120	Manufacturing and Distributing Garment	10,000,000	19,000	1,900,000	19
Champ Ace Co., Ltd. Soi Charoen Rat 7 Cross.Rd. 29-1 (right side), Bankklo, Bangkholaem Bangkok 10120	Lease and Real estate operating of self-owned or rent from others for non-residency	40,000,000	60,000	6,000,000	15

5.3 legal dispute

The Company does not have any obligations or to be parties or parties to legal disputes which will affect the Company's assets.

Corporate Governance

Part

2

6 Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

The Board of Directors of People's Garment Public Company Limited has attached importance and devoted its determination to undertake business operations on the basis of good governance principles to enhance organization to have efficiency management system and honesty for being transparent and fair organization to increase competitive advantage. These guideline will bring sustainable growth to company together with create more value for shareholders in the long term.

The company has issued "good corporate governance principles" in writing version in term of handbook to promote corporate governance by focusing on business operations with transparency, ethics, and honesty. Also it is a good practice for directors, executives and employees. The company has disclosed the principles on its website and intranet system in the topic of Corporate Governance for directors, executives and employees to adhere the principle as business operation and working standard by taking into account in all stakeholders through the management policy under the changing economic and social conditions equally and also based on sufficient economy.

The Board of Directors realizes the importance of Good governance and pay attention to the commitment to continuously enhance standard of Good corporate governance to create transparency, efficiency, sustainable growth as well as create value-added and long-term stability for shareholders under changing economic and social conditions with balanced management based on sufficiency economy in order to comply with good corporate governance principles for listed companies.

The Board of Directors is aware of the roles and duties of the organization's leadership. Therefore, it has considered and reviewed the adoption of the CG Code appropriately according to the business context of the company, which is reviewed annually to create sustainable value from the continuous development of good corporate governance principles to comply with the CG Code. It is resulting in the year 2022 the company received the results of the assessment of compliance with the principles of good corporate governance and held the meeting of shareholders as follows:



Corporate Governance Assessment result at the level of **"Excellent"** Received the survey result of Corporate Governance report of Thai Listed companies (CGR) **of the year 2022 for 5th** consecutive year by The Thai Institution of Directors (IOD)



THAI INVESTORS ASSOCIATION

Received a full score of 100 from the Quality Assessment of the Annual General Meeting of Shareholders Year 2022 (AGM Checklist) from the Thai Investors Association being the **"15th"** year continuously since 2008

Certified by the Private Sector Collective Action Coalition Against Corruption Council (CAC) since October 14, 2016 and passed the assessment to renew **the certification for every 3 years. The latest on December 31st, 2022**



Compliance with good corporate governance principles

The Board of Directors realizes the importance of good corporate governance and is committed to operate the business in accordance with the principles of good corporate governance to create long-term sustainable business growth and promote transparency. This principle is not only builds confidence for shareholders, investors and all stakeholders but also it can also create benefits and good business results for the organization sustainably. It is operated by using the Code of Conduct and Guidelines for Good Corporate Governance for Listed Companies 2017 (Corporate Governance Code for Listed Companies 2017) of the SEC Office to enhance the Company's business operations to be better in order to have clear and standardized practice guidelines enhance cognition and fostering a good corporate governance culture in the organization. This is in order to have good corporate governance that will enable the business to continue sustainably by the company's corporate governance policy. It consists of 8 sections of the Code of Conduct, which are adapted and reviewed for business suitability, covering 5 sections of corporate governance principles, which can be summarized in a nutshell as follows:

Chapter 1 Rights of Shareholder

The Company has given shareholders the opportunity to take part in corporate governance and to express the opinion on company operations by focusing on best practices for shareholders' meetings regarding **the quality of the invitation letter, minutes of meetings, the roles and attendance of the chairman and subcommittees**. It is included in the minutes of the shareholders' meeting that allow shareholders to acknowledge the results of the meeting and be able to verify the accuracy of information through the channels of the Stock Exchange of Thailand and the Company's website within 14 days from the meeting date. The company also continues exercising our shareholder rights for sustainability as follows:

1. The board of directors appreciates and respects the ownership rights of shareholders. No actions are taken to violate or infringe the rights of shareholders. The interests of shareholders are fairly safeguarded and the exercise of rights by all shareholder groups are supported and promoted, whether domestic or foreign, major shareholders, retail shareholders or institutional shareholders, incorporating both the fundamental rights of shareholders, access rights to information in a sufficient and timely manner, and the right to attend shareholders' meetings to determine directions for operations and decisions on matters having a significant impact on the Company.
2. The Board of Directors provides opportunities for shareholders prior to propose the matter to be put into the agenda and/or propose the name of persons as candidate for being considered to be elected as company's director and submit questions to inquire information on each agenda or other information of the company prior to the shareholders' meeting day. Rules for the proposal of agenda item and advance submission of questions have been published in the Company website.
3. The Company gives shareholders an opportunity to send questions to inquire information on each agenda or other information of the Company in advance of the shareholders' meeting date via e-mail suvmol@pg.co.th or at the address of the company.
4. To allow all shareholders to receive clear information, sufficient, and having time to study information in advance before the shareholders' meeting, the Board of Directors oversees the publish of information, date, time, venue of the meeting and set the meeting agenda separated in each matter clearly in both Thai and English.

For the invitation letter of the meeting of shareholders, The company has provided detailed information of each agenda with explanations and reasons and the opinion of the Board of Directors in each agenda. The Company has published the notice of the meeting together with relevant

- documents on the Company's website both in Thai and English 30 days prior to the shareholder's meeting and deliver such documents to shareholders 21 days in advance of the meeting date.
5. The Company has given the opportunity for shareholders to appoint any independent director as a proxy to be able to attend the meeting on his/her behalf by using one of the proxy forms that the Company sends together with the notice of the meeting which is a format in which shareholders can set voting directions according to the form that the Department of Business Development, The Ministry of Commerce along with information of independent directors designated by the company as proxy from shareholders.
 6. The Board of Directors has granted shareholders with the authority to approve the remunerations of Company Directors on a yearly basis as well as to propose the remuneration policy and criteria for paying remuneration to each Company Committee.
 7. The Board of Directors promotes the use of technology in shareholders' meetings in order to promote accuracy and speed. Votes are taken for each item on the agenda and shareholders are given the right to elect Company Directors individually and ballot papers are used.
 8. At every shareholder's meeting, The Company provides an independent person to monitor the vote counting and playing role on reviewing shareholder documents, counting a quorum and votes, overview the meeting resolution and voting results in order to make the meeting transparent and legally. In addition, there was also a representative of the shareholders' rights protection volunteer from the Thai Investors Association also attended to observe.
 9. The Board of Directors publishes 2022 shareholders' meeting resolutions along with the voting results for each agenda both English and Thai version via SET portal and Company website on the day following the meeting.
 10. The Board of Directors will completely record the minutes of the shareholders' meeting which composes of important information including list of Directors, subcommittees and executives who attend and absent the meeting, procedures and methods of voting and counting scores of the meeting resolution together with the votes, agree, disagree and abstain in every agenda if vote required. **Before voting, chairman of the meeting allowed shareholders to ask questions or express opinions**, such questions or opinions will be recorded in the minutes and revealed on the minutes clearly. It must be completed within 14 days from the date of the meeting and submitted to the Stock Exchange of Thailand and the Ministry of Commerce within the period prescribed by law and published on the company website after the meeting was completed. Shareholders can be confident that the arrangement of the meeting from checking documents, registration, counting numbers of shareholders and proxies as a quorum, **The meeting carried out in accordance with the agenda notified in the meeting notice. No additions or changes were made to significant data without giving prior notice to the shareholders.** Vote counting and the meeting resolution proceeded with transparent and legally and company regulations.

Basic Right

- Right to own, sell, buy or transfer shares freely
- Right to attend shareholder meeting for exercising their right on expressing the opinion and making decision by voting in the meeting for approving the significant impact on company such as changing or setting company regulation or company memorandum, reduction or increase its capital and to approve a special list.
- Right to authorize the independent directors or any person(s) as his/her proxy in attending the meeting.
- Right to appoint or discharge the Directors as well as consider their remuneration.
- Right to appoint auditors and their remuneration.

- Right to give opinions and ask questions in the meeting of shareholders.
- Right to be equally allocated of the profit/dividend.

Over the above basic rights, The Board of Directors also considers the rights of the shareholders as required by law and implementation issues to encourage and facilitate the exercise of shareholders' equity without ruling or depriving the shareholders' rights as follows:

The right to Access to the Information

The Company disclosed information both in Thailand and in English via the company's website www.pg.co.th and www.set.or.th. Some information is not in the criteria required by law to be disclosed but if the company see its necessary to acknowledge, the Company will disclose it by disclosing accurate, complete, timely, and transparent information as following;

- **Company's shareholding structure was revealed including list of the 10 largest shareholders** of the Company at the closing date for Annual General Meeting in prior the meeting date including the number of minor shareholders.
- **Report the minute of shareholder meeting** within 14 days from meeting date and disseminate it on company website which one of channel that shareholder can acknowledge and examine such report. No need to wait until next meeting.
- **The company operation, management policies, related transactions and purchasing of asset through other significant information which necessary for shareholders** In order to ensure shareholders, these disclosures are undertaken to secure the confidence and trust of shareholders in the operational structure which is transparent and accountable, as well as to show that the operations are efficient and achieving a sustained growth and continuous generating a return to shareholders at a suitable rate.
- All shareholders, both retail shareholders and general investors are able to contact for information directly from the Company Secretary by E-mail suvimol@pg.co.th or direct line telephone at 0-2685-6509

Principles for protecting the rights of shareholders

The meeting of Shareholders

The Board of Directors has held a meeting of shareholders once a year within 4 months (120 days) as from the end of the Company's annual accounting year in order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. The arrangement of shareholders meeting, company performed as AGM checklist.

In 2022, there was no call for an Extraordinary General Meeting of Shareholders.

Due to the epidemic situation of the Coronavirus Disease 2019 (COVID-19), to organize the Annual General Meeting of Shareholders Year 2022, the Company has measures and guidelines for attending the Annual General Meeting of Shareholders. by asking for cooperation for shareholders to appoint independent directors instead of attending the meeting in person. However, regarding shareholders who wish to attend the meeting in person must strictly follow the measures to prevent the spread of the coronavirus disease 2019 (COVID-19) according to the announcement of the Ministry of Public Health and the Covid-19 Situation Administration Centre.

Prior to the Meeting of Shareholders Date

1. Shareholders who holding one share or several shares, but not over 5% of total number of shareholders with voting rights, were allowed to propose agenda and to nominate the candidates to be elected as Directors in advance according to company regulation.

For 2022, company provided the opportunity to propose agenda and to nominate the candidates to be elected as Directors in advance, during 1st – 30th December 2021, such invitation had disseminated both English and Thai version via information board of SET, and on the company’s website: www.pg.co.th since November 29, 2021.

There were no agenda proposed or/and no candidates to be directors proposed.

2. Shareholders were notified of the resolution of determining the date of shareholders’ meeting no.43 both Thai and English version since February 21, 2022 which was 2 months prior to the meeting date so as to enable the shareholders to set aside time for attending the meeting. Such resolutions were disseminated via company website www.pg.co.th
3. The meeting notice together with all relevant documents in both Thai and English were published on the Company website (www.pg.co.th) on March 25, 2022 which was 30 days in advance of the meeting date So that shareholders can access information easily and having time to study in advance before submitting such documents
4. The same information was sent to the Thailand Securities Depository Company Limited, the Company’s Share Registrar, for forwarding to shareholders in document format on 4 April, 2022, i.e. 21 days in advance of the meeting date, so as to give the shareholders sufficient time to study the meeting documents

In case of foreign shareholder or institutional type, The Company sent the invitation letter by attaching English version of the meeting documents together with the Thai version **to encourage all types of shareholders, including institutional investors to attend the meeting.**

5. The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 14 days prior to the meeting date, i.e. 6-8 April, 2022. so as to give the shareholders sufficient time to study the meeting documents.
6. The Company had provided an opportunity for shareholders to exercise their right to send question regarding the agenda of shareholder meeting in advance during April 4, 2022 to April 22, 2022. Such criteria was disseminated via E-mail : suvimol@pg.co.th or company address, in case of the shareholders require additional information, please contact directly to Company Secretary as following ;

Address : PEOPLE’S GARMENT PUBLIC COMPANY LIMITED
666 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120
Telephone : 0-2685-6509 Fax : 0-2294-5159 E-mail : suvimol@pg.co.th

For 2022, There were no questions from shareholders to be submitted in advance.

7. In order to facilitate shareholders who were unable to attend the meeting, the company invited the shareholders to appoint an independent director or any person to attend the meeting on their behalf by using a proxy form which the company has sent along with the appointment letter. This is a form in which the shareholders can determine the direction of voting according to the form that the Department of Business Development. Ministry of Commerce set with information of independent directors designated by the company to be shareholders’ proxies

Shareholders are notified of the rules and procedures for attending the meeting in the meeting notice, with which Proxy Form B as prescribed by the Ministry of Commerce was also attached or a choice of either Proxy Form A or Proxy Form C. All three Proxy Forms can be downloaded them from the Company website. The Company also gave notice of such publication guidelines via the press release system of the Stock Exchange of Thailand.

For shareholders who are institutional investors or foreign investors can appoint the custodian. The company shall coordinate on documents and evidence that need to be presented before the meeting in advance for convenient in registration.

Day of Shareholders' Meeting

The Board of Directors attaches importance to the shareholders' meeting. The shareholders have a duty to attend the meeting in order to exercise their voting rights in the meeting according to the basic rights of the shareholders and this is opportunity for shareholders to ask directors about the company information.

1. The Company continuously determined the date for the 43rd general meeting of shareholders for 2022 on Tuesday 26 April 2022, at 09.00 hrs., Chao Phraya 1, Montien Riverside Hotel 372, Rama3 Road, Bang Khlo subdistrict, Bang Kho Laem district, Bangkok, 10120. For convenience, the company select meeting place that can be reach by mass transportation so that shareholders can easily travel to attend the meeting because it is on the side of Rama3 road.
2. Shareholders were able to register with the barcode system at least 2 hours prior to the meeting and continue the register until the meeting is completed

In the subsequent period until the end of the meeting, a right given to shareholders attending after the meeting had already commenced. Such latecomers would have the right to cast votes in the pending agendum that had not yet been voted on. The quorum would be counted as from the agendum of first attendance and vote, except where held otherwise by the shareholders.

During the registration, The Company arranges

- The company assigns adequate **staffs** members to administer the registration.
 - Prepares **duty stamps** for affixing on the Proxy Form on their behalf. This is free of charge to provide services to shareholders who appoint other proxies to attend the meeting on their behalf
 - Voting **boards and polling cards were provided** to the shareholders for use in casting votes.
3. Shareholders who were unable to attend the meeting can grant proxies to other persons or grant proxies to Independent Directors who are Audit Committee of the Company as specified for retaining the right
 4. The Board of Directors has attached significance to the meeting of shareholders. It is deemed as a duty to attend every meeting, with the exception of illnesses or other important engagements which shareholders can ask the Chairman of each sub-committees on related matters

In 2022, annual general meeting of shareholders, There were 12 directors attending the meeting, representing 100%. **The Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Remunerations Committee, Chairman of the Nomination Committee, Chairman of the Risk Management Committee, Chairman of the corporate governance committee, Chairman of the Executive Committee, Managing Director and Chief Financial Officer** attended the meeting and given explanations and responded to questions posed on matters related to the meeting agenda or Company operation.

The company arranged an independent auditor from EY Association Co, Ltd. as inspector acted as an auditor of counting vote thoroughly the meeting in compliance with laws and company regulations. There are also volunteer representatives from the Thai Investors Association taking part in the observation.

5. Prior to the commencement of meeting pursuant to the agenda, the Company Secretary notified the meeting of the number and proportions of shareholders present and declared the meeting open. An explanation was given on the voting procedures and vote-counting procedures for shareholders casting votes in each agendum according to the law and articles of the Company. The Chairman of the Board of Directors, acting as chairman of the meeting opens the meeting.

Vote-counting procedures can be summarized as follows:

- 5.1 The company determines the right to vote according to the number of shares held by shareholders, one share equal one vote. No shares shall have preferential rights to the other shareholders. Voting shall be done openly as shareholders shall raise their barcode placard (with barcode bar) then staff will collect the vote by barcode scanning.

- 5.2 Any agenda that need the resolution, the company shall ask for confirmation card for transparency, and examinable. Voting in each agenda, the president of the meeting shall ask the shareholders and proxy to raise their barcode placard (with barcode bar) if disagreement and abstention, and sign shareholders name and proxy name in confirmation card. Staff shall scan barcode on placard then collect the confirmation card.

For shareholders who gave a proxy to independent director, the company shall do the vote by shareholders' intention.

- 5.3 Counting the vote on each agenda, the company applied barcode system as counting tools. The voting results are displayed on the screen for shareholders to simultaneously acknowledge in order to be accurate and the results can be announced immediately after the end of each agenda.

6. The shareholders' meeting was carried out in accordance with the agenda notified in the meeting notice. No additions or changes were made to significant data without giving prior notice to the shareholders. Appropriate and sufficient time was set aside for presenting various matters in each agenda and opportunities were given to shareholders to pose questions and express opinions fully in each agenda.

If shareholders need to propose agenda which were not contained in the notice for consideration during the meeting, such proposal need to be approved by the meeting with the minimum vote of 1/3 of shareholders who attend the meeting and have the right to vote.

The company provides a video recording of the annual general meeting of shareholders throughout the meeting and it is published the meeting images on the company's website (www.pg.co.th)

The chairman of the meeting gave the shareholders an opportunity to ask questions and fully propose opinions during the shareholders' meeting on each agenda. Due to the epidemic situation of Coronavirus 2019, and for the safety reason and welfare of the attendees, the company refrains from preparing a microphone for any inquiries. However, the company provided paper form to write questions, suggestions, and opinions instead, and completely to took notes, of questions and answers in the minutes of the meeting. Moreover, there was a conclusion by voting together with the vote count in order that the shareholders who did not attend the meeting could acknowledge the matter, it appeared that in the year 2022, there was one shareholder asking questions which was already recorded in the minutes of the Annual General Meeting of Shareholders.

Result of Voting in each Agenda

Votes on each agenda were cast openly; The ballots were distributed to all shareholders and proxies on the registration desk, and will be only collected on disagreement and / or abstention. Except for the election of directors, which were individually election, the ballots will be collected from every shareholders and proxies. Voting will be counted only for those who disagree and / or abstain including votes on bad ballots (if any) will be deducted from the total number of votes attended the meeting. The rest was the agreement vote on such agenda

If there were additional shareholders attended the meeting, the number of shareholders and the number of additional shares will be announced on each agenda.

For 2022, voting at the 43rd Annual General Meeting were held on Tuesday 26th April, 2022, which each agendas are as follows:- (The company has disseminated the minute of meeting via company website www.pg.co.th)

Agenda	No. of share holder	Approval		Disapproval		Abstention		Void Ballot	
		Shares	%	Shares	%	Shares	%	Shares	%
1 - 4	60	71,431,971	100	-	-	-	-	-	-
5	60	70,686,961	98.96	10	-	745,000	1.04	-	-
6	61	71,432,061	100	10	-	-	-	-	-
7	61	71,432,071	100	-	-	-	-	-	-

For significant meeting agenda were disseminated in the “notice of meeting”.

1. **Appointment of Directors** : The Company gave an opportunity for shareholders to elect Directors individually. The shareholders had been provided with preliminary information on the nominees, positions held in other businesses, clearly specifying the cases of companies carrying out businesses identical to or in competition with the Company, and the attendance of Board of Directors Meetings. Each director has been screened by the Nomination Committee by considering the appropriateness of qualifications, experience and expertise from various professions including the performance as a director in the past. If considering on director whose term has ended, the nomination committee will propose to the Board of Directors meeting. The Board of Directors is authorized to select qualified candidates from the Nomination Committee’s list.
2. **Directors’ Remuneration** : The remuneration committee is responsible for considering the credit limit and allocating by considering Company operation performance, performance, amount paid in the past year and compare with levels of practice in the same business group, also including authority and responsibility **which were in accordance with the policies and conditions for directorial remunerations** considered and reviewed by the Remunerations Committee. The Company has regularly proposed a remunerations limit for approval by the meeting of shareholders on yearly basis. The remuneration comprises of **Meeting allowance, Annual remuneration without others extra compensation**. Such remuneration paid to each Director were disclosed the Annual Report topic “Management Structure”.
3. **Appointment of Auditor and Determination of Audit Fee** : The auditor must not be a director, employee or holder of any position in the Company. The auditor need to be accepted standard of verification be independent and meet all the requirements of the company and the Securities and Exchange Commission. The Company provided details on the name of auditor, audit office, the relationship between the audit office and the Company, the number of years of work performed, reasons for changing the auditor, and comparative data on audit fees for the current year and the preceding year. Such information had also been considered by the Audit Committee of the company.
4. **Dividend Payment** : The Company provided details on profit distribution, dividend payment in accordance with the Company’s dividend policy, and a comparison of dividend payment for the current year and the preceding year. The closing date of the register (Record Date) for the determination of the right to receive dividend payment was also specified.

Guidelines on conflict of interest for the meeting

In the shareholders’ meeting if any director has a conflict of interest or related transaction in any agenda. Said director will inform the meeting to request leaving the meeting or abstaining on such agenda.

Subsequent to the Meeting of Shareholders

1. The company has disseminated the 2022 meeting resolution together with voting result on each agenda both Thai and English version via SET news within the meeting day and also published via company website on the next day.
2. The Company Secretary recorded the information and prepared accurate and complete minutes for the general meeting of shareholders, including the names of Directors present/absent together with the reasons for absence, essential explanations and a summary of questions or answers or opinions. In the past year, all Directors were present and no questions were posed by the shareholders. The details on each agenda were in accordance with the facts in the meeting. Summaries of the votes in each agenda were divided into approvals, non-approvals and abstentions. Such minutes were signed by the Chairman of the Board of Directors, acting as chairman of the meeting, and submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission within 14 days of

the meeting of shareholders. The minutes were also published on the Company website in both Thai and English as a channel for shareholders to search and inspect data without having to wait for the subsequent meeting. A submission was also made to the Ministry of Commerce within the period prescribed by law.

3. The company has video tape recorded and pictured meeting atmosphere and disseminate via company website for absent shareholders for acknowledgment.
4. After the shareholders' meeting approved dividend payment, company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely.

Distribution of shares

1. The Company set the Record Date for distribution of shares on March 11th, 2022 to determine the persons eligible for attendance of the Annual General Meeting of Shareholders.
2. The Members of the Board of Directors and their spouses as well as children who are underage hold a combined amount of 7.30% of issued shares, which does not exceed 25% of company's issued shares.
3. The free float proportion was 32.26% of issued shares which was greater than 25% of issued shares.

Chapter 2 Equitable Treatment of Shareholders

The company is committed to treat equally and fairly to all shareholders, major shareholders, minor shareholders, institutional shareholders or foreigner shareholders, which the company attaches importance to this matter and the company has the tools for supporting the equal of shareholders rights in regardless of gender, age, race, nationality, religious beliefs, social status, disability, or political opinion. The company set the process to facilitate all shareholders to attend the meeting and provide the opportunity without limitation as following details.

1. The rights to attend the meeting

1. The company provides the opportunity to propose agenda and /or to nominate the candidates to be elected as Directors in advance.

The company establishes rules including setting procedures, guidelines for consideration is following; The shareholders holding one share or several shares, but not over 5% of total number of shareholders with voting rights, were allowed to propose agenda and to nominate the candidates to be elected as Directors in advance in accordance with the criteria specified by the company to give shareholders the opportunity to participate in the corporate governance or supervision of the company.

For the 2022, Annual General Meeting, the company has disseminated the above procedure via company website www.pg.co.th under title "investor information" during 1st -30th December 2021. The company has informed shareholders via SET news system since November 29, 2021.

Nonetheless, there was neither meeting agenda nor nomination of the Directors proposed prior to the shareholders' meeting date of 2022. The company secretary reported to the board of director for acknowledgement.

2. For foreign shareholders, the meeting notice with attached documents were translated in to English and sent together with Thai Version. The notice both Thai and English version were disseminated via company website.
3. The voting right depends on the number of shares held by shareholders, one share, one vote (**all of the Company's shares is Common Stocks**).
4. In 2022, the Company had held one shareholders' meeting total 1 time on 26th April, 2022 comprising all 12 Directors attendance. The meeting's resolution was to assign Thailand Security Depository Co., Ltd. (TSD), Company's Registrar, to send the Notice of the Meeting of Shareholders, 21 days in advance and announced 30 days prior to the meeting in the www.pg.co.th under the section "Information for investors " for downloading, in order that the shareholders could have more time studied the information.

5. To facilitate shareholders, if any shareholders could not attend the meeting, the Company allowed them to authorize the Independent Directors or anyone as the proxy of voting rights by using the letter of proxy Form B with voting recommendation, Form A, or Form C (for foreign investors with custodians in Thailand to oversee their stocks). The letter of proxy should be attached with the Notice, and announced in the www.pg.co.th for downloading.

- Moreover, to facilitate shareholders, The Company also provided the revenue stamps for the letter of proxy. (Free of charge).

For 2022, Annual General Meeting of Shareholders no.43rd was held on 26th April, 2022

	No. of Share holder	No. of Shares	Percentage
Number of shareholders	<u>759</u>	<u>96,000,000</u>	<u>100.00</u>
No. of shareholders who attended the meeting	61	71,432,071	74.41
Shareholders attendants	26	6,360,149	6.63
Proxies	35	65,071,922	67.78
- Proxy to Independent Director / Audit committee	9	21,736,324	22.64
- Proxy to individual	26	43,335,598	45.14

6. The meeting is conducted according to the order of the agenda items; there is no reshuffling of agenda items, nor any change made to material information without notifying shareholders in advance.
7. Votes were cast openly. Voting on each agenda is made by barcode system; voting card and ballot were prepared for all shareholders. In vote counting, only votes for **disapproval** and/or **abstentions** are counted and there are deducted from the total shares represented in the meeting.

Except the director election agenda, the company shall collect the signed ballot from all attended shareholders.

In 2022, ballot papers were used in all agenda including important agenda, such as the appointment of Directors where in the shareholders were given an opportunity to select Directors individually. In the interest of transparency, the ballot papers for such votes were kept at the Bangkok Head Office, which could be inspected after the meeting.

8. After the meeting, the minutes of Annual General Meeting of Shareholders for 2022 were also published on the Company website in both Thai and English within 14 days. The minutes contained adequate data included questions and answers happened during the meeting. For unattended shareholders, they can review the minutes via company website. The company also disseminated VDO recorded and pictures on its website.

2. Supervision of Internal Data Use

The company has a measurement to the use of insider information by determining in the company's code of business ethics for itself and shareholders and determined in the employee ethics; moreover, Directors, executives and employees must perform their duties with honesty, responsibility. Having discipline and good conscience for the public and for oneself they must be individuals of integrity, accountability and moral consciousness. Under no circumstance should they exploit their authority for the benefit of themselves and / or others. All relevant employees must protect the interests and the company's asset. They must not use company information or assets for benefit of themselves and/or not to engage in any action which assists any individual in business that competes with company. The code of business ethics

were distributed to directors, executives and staff, also disseminated via company website in order to be a guideline for conducting business and being a principle of work.

Besides, regulation regarding operation is determined including the discipline punishment which all directors and staff are aware of this and act accordingly

In 2022, no share trading with the internal data use by Directors and executive officers of the Company was found during the prohibited period.

3. Determination of Company Stock trading

The company determined that Directors, Executives and Staff in possession of insider information are prohibited from selling or purchasing company share within one month before disclosing the financial statements to the public Besides, Directors and executive (Including spouses and underage children), which is responsible for reporting securities holdings if the company's shares are traded, are required and notified of their duties to report changes in securities holdings in the Company to the Office of the Securities and Exchange Commission within 3 working days of such changes together with the submission of a copy to the Company Secretary in order to report to the Board of Directors in the next Board of Directors meeting. In every Board of Directors' meeting, there will be an agenda of securities holding of Directors and executive officers which is a duty to perform and implement as specified. This shall include the directors and executives when he first took up the new position and report of holding the Company's securities to the Securities and Exchange Commission (SEC).

Company secretary annually arranges the board of director meeting schedule which is sent to all directors in advance in order to inform the period when securities trading should be abstained.

Although, Company secretary arranges the notification to related person for acknowledgement in prior the blackout period.

In 2022, Directors and executive officers of the Company had observed strict compliance with the said policies. No share trading was found during the prohibited period.

With regard to the principles of buying selling company' stocks, the Directors and Executive Directors are requested to inform the Board of Directors and/or the Company Secretary before carrying out the stock transaction at least 1 day.

4. Protection of the Conflict of Interest

1. With the transparent structure of shareholding, there is no report of the conflicts of interest. Meanwhile, the disclosure of shareholder structure has deliberately shown in the annual report as well as the overall shareholding of the Board of Directors.
2. The board of directors proceeds carefully and rationally with regard to conflict of interest and connected transaction. The company most concern on its benefits and set pricing strategy in compliance with fair trading conditions as if the transactions are engaged with third party. The process of such transaction is managed transparently and compliance with the regulation of the Stock Exchange of Thailand. Furthermore, the company set the regulation in its good corporate governance and business ethic binding upon company and shareholder.
3. The company has disclosed information to ensure equal access to information such as connected transaction. The company has performed according to announcement of The board of Stock Exchange of Thailand regarding the disclosure of information and operation of registered company on connected transaction.
4. Designated directors who have interests in the agenda must leave the room and refrain from voting on such agenda. Then, others directors can express the opinion and vote independently The company secretary shall inform the name of interested directors to the meeting. After the meeting, there is

disclosure of the name of related person, relationship of connected person, pricing, transaction value and different opinion of directors (If any) shall be reported to the Stock Exchange of Thailand within requiring time. Besides, such details will be disseminated via company website for transparency including recorded in the minute of the meeting for examination.

Cross-Shareholding ratio; While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board, no. Thor Jor. 28/2008 regarding “the permission request and the permission to offer newly-issued shares” (The details of cross-shareholding are disseminated under topic “Structure of Shareholding”

5. Asset purchasing control

The company controls purchasing of asset in accordance with the regulation of Capital Market Commission subjected “The acquisition or disposition of assets”. The directors who have an interest on such transaction are not take part for making decision for transparency and fairness.

In 2022, the company had no transaction on acquisition or disposition of assets.

Chapter 3 The Roles of stakeholders

The Company attaches importance and has clearly laid down policies for the treatment of each stakeholder group based on business ethics in order to be a guideline for directors, executives, and employees which is based on the basis of fairness and balance of the mutual benefit sharing. It is considered as the duty and responsibility of all directors, executives and employees must be informed for understanding and perform strictly to comply with the guidelines. This is to ensure that all stakeholder groups are protected rights and treated well. In this regard, the company established its good corporate governance policy which comprises Good Corporate Governance, Business ethics and Conducts for Management and Employees Policy. To ensure stakeholders’ equality, the policies are also disseminated to all directors and employee to be adhering as criteria for treatment of all stakeholders.



The Company has disclosed “Business Ethics” under the subject “Good Corporate Governance” on the Company’s website,

1. Shareholders

The company valued the shareholders as a business owners then it set company director as a representative of shareholders. Company executives and its staff duties on running business in accordance with good corporate governance for the most benefit and value to shareholders in long term. The Company respects the basic rights of shareholders as provided by the relevant laws and regulations. All shareholders are treated equally. The Company aims to create the greatest satisfaction for shareholders by taking into consideration the sustained growth of the Company and reasonable, fair and consistent returns, as well as a transparent management system and a reliable accounting system. The company maintains its assets, controls related transactions have the criteria for protect conflict of interest and misuse of internal information. Shareholders can believe that they will have correct information. (The details regarding shareholders rights are shown in chapter 1 “shareholders rights and chapter 2 “Equitable Treatment of Shareholders”)

In 2022, the company has paid dividends at the rate of 0.10 baht per share, which is paid from Net profit that the company has already paid corporate tax at the rate of 20 percent on May

25, 2022, in accordance with the company's dividend payment policy.

Moreover, the Company has made quarterly reports of operational results and disclosed transactions with connected persons under similar terms to third parties via the press release system of the Stock Exchange of Thailand and the Company website.

2. Employee

All employees are considered the great and value assets of the company to achieve its business aspiration and organizational goals. The company is determined to help make its staffs feel confident and proud of the organization. It treats the employees with equity and without preferential treatments. It supports and enables a collaborative environment conducive to generate new innovations and technologies to advance their work. The company's fundamental policy is to foster unity, confidence, and trust among staffs, as well as to treat one another with respect, dignity, based on the individual rights. The company will consider the appointment and transfer of staff based on merit and the use of resources for highest benefits to company. The Company has strongly intended to develop and enhance personnel's knowledge and skills based upon the integrated knowledge to serve the immediate current change of economy and technology. Company establishes stability in career and gives opportunity to success in career accordance with each potential. Employees are allowed to participate in setting direction and operation. Remuneration and welfare benefits are provided suitably and fairly as well as proper with employees' achievement, knowledge, responsibility, and performance. (The details are shown in "Management Structure under topic employee")

The remuneration and welfare for employees

The company pays wages to employee by fairness treatment suitable with knowledge, capability, duty, and responsibility. Besides, the company has appointed the welfare committee to give opportunity to employees in taking part in the welfare management, and doing activities. Employee have communication channel set by the company to make suggestion or identify any working problem. (The details are shown in topic "the communication channel for Employee")

Remuneration to employees

The company has its policy to pay employees remuneration appropriately both short term basis in compliance with annual performance also compare with same business and long term basis which employees will be clearly measured their performance and potential. The company establishes stability in career path and gives opportunity to success in their career as well as properly manage others welfare to employees.

Provision appropriate welfare to employee

The Company has established the Provident Fund for employees' long-term benefits to promote the money saving for their future as well as to persuade employees to loyalty work for the Company. For members of the Provident Fund, they will monthly receive 3-5% of the wage as monthly contribution, and they will also pay the same amount deducting from their wages for their accumulated fund. When the employment is terminated, the employees will receive accumulated fund, contribution and the net profit of the fund.

The Company enhances and encourages all employees to be participated in organization development. **There is an election of welfare committee (2 years term)** to be employee representative and center to cooperate between employee and company. The committee is for helping and reliving employees' trouble besides welfare benefits provided by company. The welfare committee also gives consul and listen employees' opinion.

The company pays attention to welfare and employees' safety. As a results, company set welfare and basic benefits in compliance with Laws such as holiday, annual leave, including social security, compensation fund, and provident fund. Said benefits are continually advertised to employees.

Welfare of the employee				
Development of employee	Living-Cost of Employees and Employees' family	Welfare of Employee saving and Future Security Promotion	Health Welfare	Welfare on Sports and Recreation
Promotion of education during working hours and after working hours	Establishment the welfare shop selling saving-price consumer products with reasonable price.	The Credit Union for SAHA group employee	Clinic with doctors, nurses, medical equipment and medicine	Sport Events to foster good health, unison and good relation.
Promotion of education during working hours and after working hours	Organized welfare by joining with Cooperative of Lion Co., Ltd. (Thailand), Giving employees the right to purchase products at employee benefits prices	The Provident Fund	Project "Muscle Stretcing" for employees of every branch in preventing working disease	Cultural activities and Religious activities
Provision of library, video, internet corner and intranet system in the organization	Provision of hygienic canteen with reasonable price	Provision of pension for the retired employees	Medical Checking and tests for the breast cancer, cervical cancer, and etc.	
	Provision of uniform for both daily and monthly employees	Housing loans in coordination with the Government Housing Bank		
	Transportation allowance; vehicle and gas	Granting Awards and souvenirs to the employees complete working for 10, 20 and 30 years	Health examination regarding working risk factors.	
	Provision of welfare for accidents, the death of parents and spouse, Including the allowance when the employee pass away		Visiting sick employees	
	Scholarship to employee's child in SAHA Group			

Knowledge and Potential Development of employees

The Company has a policy in encourage employees to have business capabilities, leaderships , teamwork , knowledge and skills. The training is based on actual performance under teaching from supervisors (coaching) such as learning from practical work (on the job training). As a result, employees have new experiences from colleague including learning through the classroom (Class room training) from internal speaker and outside. On average, each employee will be trained 4.59 hours per person.

Work Safety and Occupational Health

Safety, Occupational health and working environment Policy

The company attaches importance to the healthcare, safety, and working environment which are a part of success and cannot be separated from working. Employees and workers need to be safe and have good hygiene under working environment. Thus, human resources are the most valuable resource for the company.

The company establishes occupational safety, health and working environment policies and also set the security team consisted of Safety Committee Occupational health and working environment (CSO) to take care of this particular task including continuous follow up. The Company communicates to all employees and workers to involve in the following actions.

- The company will promote safety working and preserve environment.
- The company will support safety working and provide safety tools including arrange safety workplace along with educating and motivating employees to work safely.
- The company set the policy for all commanders to take care and control subordinates to work in accordance with safety regulations and rules which the company determined strictly.

Besides, the company also disseminates news regarding disease protection and health care via exhibition activities, public relation board, voice line and intranet system.

According to proactive measure to prevent accidents, there have been no accidents from work and no loss time injury as well as no sickness or disease from work. The Company has received honor Platinum award for 7th years (no accident and no loss time from injury 18,882,280 man hours consecutively) in “Zero Accident Campaign” in 2022 from Ministry of Labor for consecutive 14th year and has been awarded for outstanding establishment in safety, occupational health and environment for 2022 as 8th year with Diamond Level from Ministry of Labor.

Channel for Employees’ Communication

Besides, the channel for complaint for stakeholders, the Company has provided a channel of communication for employees to make suggestions and identify problems between the employees and their superiors by way of a suggestion box of the Welfare Committee / telephone number 02-685-6518 or via intranet system. In addition, The welfare committee will receive complaints and summarize suggestions and other issues to propose to the Executive Committee and others of the relevant board respectively.

The Company has determined the Measures for the Protection of complainant including those who cooperate in the investigation will be protected from unfair practices due to the causes of submitting complaints such as disturbing the operation, Change or promote the job position, termination of employment, and etc.

In 2022, these suggestions would be considered and implemented in order to maintain good relationships between the parties, including hearings of opinions and suggestions from all employee levels equally and the complaint will be operated by using process that do not affect employees who report the clue which has been kept as a secret of the company.

3. Customer

The board of directors emphasized the importance of creating and maintaining customer then they set the business policy that company will run its business with honesty, no violation of clients’ rights, equitable treatment, fairness compensation and on time delivery and reasonable price.

The policy of response customers’ satisfaction has been implemented to comply with the agreement leading to the business achievement by complying with the conditions agreed with the customer (The details are shown under “Nature of Business”).

- The Company also provides customer the recommendations, adequate and precise information, quick response, and confidentiality without misusing it. The company shall not take the customers’ confidentiality to use for its advantage or related parties.
- Commitment to crates new innovation continually in order to delivery products and services to satisfy customers’ needs in both of quality and fair price with safety, environmental friendly and sustainable growth in accordance with the company’s quality policy **“To be engrossed in producing quality products, delivering on time and continuous improvement”**

- The Company recognizes the importance of keeping trade secrets. Do not apply for its own interests or those related parties.
- The company focuses on providing useful information to customers with clearly labels and beyond required by laws.
- The company provides communication channel for customers who may have questions, information, opinion to express and notify as following;

	Telephone Number	E-mail
Business 1 Division	0-2685-6535	nutchapunporn@pg.co.th
Business 2 Division	0-2685-6565	photchamarn@pg.co.th

In 2022, there were no significant complain from customers, for other petitions were analyzed in order to prevent, monitor and adjust to our organization. In order that such defects will not happen again.

4. Business Competitors

The Company has policies to treat its competitors which do not violate the trade secrets of competitors by fraudulent methods. The policies are as following;

- The Company operates its business in fair manner followed the agreement of competitors with fairly under the framework of the law and business ethics.
- The company do not seek the confidential information of competitor in a dishonest or inappropriate manner.
- The Company will not conduct any malpractices in eliciting secret, defaming, or accusing business competitors without the true information
- Support and promote free trade, being fairness not to monopolize or requiring customers of the company to trade with the company only.
- Not doing anything that is a violation of the intellectual property of competitors

In 2022, there was no any dispute about business competitors

5. Business Partners

The Company realized the significance of impartial and fair treatment with business partners. On the basis of fair business return, the business partner will not disgrace the Company's reputation nor commit any violations.

- The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment.
- Procurement process is an important process in managing cost and product quality for maximum benefit to the company. Therefore, it has criteria and systems for evaluating and selecting partners and monitoring operations through the system "Approved Vender List" according to ISO 9001 criteria.
- Supporting environmentally friendly procurement and avoid buying products with partners who violate human rights or violate intellectual property including not doing business with partners who have unlawful behavior.
- Apart from the business agreement, the Company shall not request, gain or accept money or other benefits.
- Focusing on building relationships, good cooperation, and product development in coordination with partners to enhance the potential and efficiency of business operations in the long term under a "Win-Win" situation.

In addition, Procurement procedures were prepared as a business manual in order to provide fairness to business partners based on good corporate governance. (the details are shown under topic" nature of business").

6. Creditor

The Company observes and adheres strictly to its debt obligations along with the fostering of good relationships with debtors. Mutual confidence and trust is promoted by strictly punctual repayments to the debtors. Moreover, the company does not use fraudulent methods or conceal any information or important facts That may cause creditors to be discredited.

The company applies Media clearing, transferring system of Bank to facilitate all creditors

- Billing Date During 5th - 11th of each month
- Transferring Date Every 25th of each month

In 2022, The Company meet the payment term which paid to trade account payable, and never been complained of default during the previous year and at present, **at present the company does not have any creditors**

7. Labor

Company oversees and monitors that the operations of all branches do not employ illegal labor.

8. Do not related to any Human Rights abuses

The company realizes and attach importance of human rights as basic rights. The company conducted its business with strictly respect to law and human rights. It plays importance part of increasing human resources value counting as significant factors for business in adding more value and efficiency. The company do not discriminate. It promotes equality in organization, respect the democratic political rights, non-racial, religious, social, non-child labor and anti-sexual harassment.

- Provide knowledge and understanding of human rights principles to employee, and the company does not support businesses that violate human rights principles.
- Give the right to employees to argue for proving guilty or corruption, and no unfair of job termination.
- Arrange communication channels for employees who believe their rights have been violated or treated unjustly can complain to the company, and the complaint should be composed and conducted fairly

Throughout the duration of the operation, the company has never treat employees unfairly and never had a case to the court in the matter.

9. Political Rights

- The Company promoted both executives officers and employees to exercise their political rights with respect to the Institution Law and other relevant laws.
- The Executive Officers and employees cannot convince their colleagues and subordinates to support any political activities directly or indirectly

10. Government

Businesses are carried out in strict accordance with the provisions of laws and regulations of supervisory agencies, thus fostering good relations with state agencies. Cooperation is given in terms of providing accurate data as requested by the state agencies. The company makes accurate, full and timely tax payments according to the laws including value added tax, specific business tax, withholding tax, household tax, custom tax, exercise tax and corporate income tax.

11. Society and Community

The Board of Directors has raised awareness on corporate social responsibilities to the Executives and employees through activities. It aims to better the quality of life and increase social benefits for the communities of which operated business. This is regarded as the way to benefit society.

- Acknowledging people in the society and communities on the business operation as well as social responsibility with disclosure information to fostering better understanding
- Organize activities that truly benefit the community and society such as organizing career training (sewing) for the group of housewives, granting scholarship, and money donation to the foundations, non-profit organizations, hospitals, and religious events.
- Take advantage of resources economically with the least impact on the community and society.

12. Environment

In compliance with the Law

To ensure environment and safety performance, The company attaches importance to its role in maintaining the environment and preserving natural resources. The business operations have been taken into account impact on resources and the environment. The company work on environmental and safety in management of hazardous waste, wastewater and noise which conforms to international standard ISO 14000:2015 including good practices. The Board of Directors realized the significance of undertaken the business in accordance with laws, regulations and policies on the environment regarding the impact on natural resources and the environment and regular revisions and assessments of performance which are considered as one of the essential policies in the company's mission statement, including a policy to select and promote the use of environmentally friendly products

- Employees throughout the organization are continually encouraged to have a conscience on responsibilities to the society, communities and the environment by arranging event and activities regarding environmental preserving via the meeting , training, seminar and media channel
- Continuing to develop and improve production process, machinery, and technology in order to reduce impact to environment and community
- Developing textiles and garments which are environmental friendly which being a part of reducing global warming such as Cool Mode / I-Flex and clothing with energy saving label no.5 and Recycled clothing i.e.

With our commitment and policy to run the business together with taking care of the environment, all factories of company received the certificate of the Environment Management System ISO 14001:2015 of design process and production of Men's wear , Ladies' wear , Swimwear, Children's wear, and knitted fabric from United Registrar of Systems (Thailand). Moreover, The company participated in the enterprise establishment inspection program, to be promoted to green industry certification level 4. As a result, the company received the Green Industry Certificate, Level 4, Green Culture from the Ministry of Industry in on 20th December, 2023.

Moreover, Environmental quality and Safety report was stored in systematically and regularly monitored from Security Agency Occupational Health and Environment. The company send such report to the related governance on time specific by regulations and law.

Promotion on Effective Utilization of Resources

The company encourages efficiently use of resources in every business operation production process for the most benefit with realization the impact to environment. The company declares the energy saving policy and set up the energy and environment conservation committee to work on energy management in comply with energy saving policy.

Encourage employees to use resources efficiently and cost-effectively and to provide a control system for energy use as well as creating awareness among employees throughout the organization to continually participate in saving energy in all aspects, including electricity, oil and water supply for both at the workplace and in the household including educating about energy saving and be aware of the impact of global warming.

- Promoting an environmentally conscious production process which focus on energy conservation and waste management both in factories and offices Such as installing the Peak Demand Control System to control the use of electrical energy. Installation of energy-saving air-conditioning systems (Evaporative) the use of energy-saving lighting devices, “LED lamps” which provide brightness without heating and no need for mercury vapor and fluorescent fluids like fluorescent lamps or compact-fluorescent bulbs (CFL); moreover, there is no heavy metal substances that are problem and impact to the environment and it has a lifespan of up to 50,000 hours etc.

As the company initiated a project to install a solar cell system to produce electricity by installing at the Lamphun and Kabinburi branch factory which the solar cell system can provide renewable energy. In 2022, The solar cell system can provide renewable energy in reducing the use of electricity by 979,000 units per year, and can also reduce carbon dioxide emissions by 383 Ton CO₂

- Develop of IT system called “Workflow” to replace the use of paper for office and factory, and VDO conference meeting and On-line system.

The company continually develops, improves and/or changes its production processes or products in order to use raw materials, energy and natural resources to be efficient according to the principle of “Clean Technology”, it is the use of resources for maximum efficiency and to minimize waste, which is to conserve the environment and reduce production costs simultaneously. Moreover, It also helps to reduce the impact or risk of pollution to humans and the environment to be a minimum level.

Arrangement of Training Coursed with Knowledge on Environment for Staff

The Company aware of environmental conservation by encourages executives and staffs joining the Global Warming alleviation campaign, sign board, voice line, and company intranet. The documents regarding environmental concern are provided in library room including set the event both inside and outside the Company continuously. These are example for training programs and other projects for employees to be attended.

The Company organized a training course on “Energy and Environment Conservation” to create awareness of systematic energy conservation and awareness of the important impacts for the Company’s employees.

Regarding the company has assigned employee to join the training on the energy consulting project with the Electricity Generating Authority which is a cooperation project to increase energy efficiency which can reduce energy used by 5%, resulting in employees improving management knowledge for using electricity correctly and to be effective continuously.

Policy to Abstain from Intellectual Property Infringement

The board of directors realize the importance and adhere the business policy not to relate with Infringement of intellectual property and the mimetic or intellectual property rights of others and not to use it in business without permission. Business undertakings shall be consistent with laws, regulations and contractual obligations governing intellectual property rights. With our policy to operate business based on ethical conducts and integrity principle as a guideline for executives and employees to clearly acknowledge, and to consider products and services to be used for business operation such as Product, Equipment, Tools, or Information technology and etc.

The company prohibits any type of intellectual property infringement as following practices;

1. All employee duties to protect and maintain confidential of company’s intellectual property, do not let the information disclosed and do not using any company intellectual property in personal or others without permission.
2. All employee must respect and honor others intellectual property and do not use others intellectual property work or even just a part of its work by without permission of owner.

Trademarks

Foreign trademark The company has a policy not to infringe on intellectual property rights. Do not infringe or use the work of others for personal gain unless permission or compensation is given to the owner of the work

The Company has been licensed for trademarks of International Brand, so we strictly honor all trade agreements, especially for International Brand, insist on legitimate business and not violate copyright. Foster the idea of anti and stop using any copy products to the employees.

House Brands The company adheres not to engage in intellectual property infringement, by creating our business innovation on our own, so we encourage staff to create innovations in terms of products and services as well as joining hands with customers, trading partners and government to invent and develop high quality products and services to meet the demand of market and customers. The Company is the registered owner of various trademarks through the Department of Intellectual Property, Ministry of Commerce. Accordingly, the Company sold our House Brand products, which were our trademarks, in abroad and we already registered that trademarks with the registrar.

Furthermore, the company also encourages employees to submitted their innovative products to participate in the contest “The Saha Group Innovation Contest (Chairman Awards)” for the 18th consecutive year. The award-winning products each year bring pride and inspiration to employees that always continue creating innovative products.

Information Technology

The company has a policy to use the computer network of the company correctly and appropriately and also the use of computer programs that are legally copyright, which the company has issued regulations, guidelines for everyone in the organization as follows

- Will not use the computer program to conduct any activities that are not against the law, nor that would result in losses for other individuals.
- Will not use the computer program to act contrary to the public order or the moral values of Thai people.
- Do not use a computer network to send the document or take any other action in the manner of infringement of the intellectual property of others.
- Computer networks shall be used to search information for work, or to find useful knowledge to improve work efficiency only.
- Install only legally copyrighted software program onto computers.
- Do not install a computer program that violates the intellectual property rights of others

In 2022, the company has never committed any intellectual property infringement or trade piracy.

Personal Data Protection Policy and Guidelines

The Board of Directors recognizes the importance of personal data protection and supervise, an management of personal data to be in line with personal data protection laws and related laws. The company has therefore established a personal data protection policy. In order that the company will operate its business in accordance with the Personal Data Protection Act B.E. 2562 and other relevant laws. This is for relevant people to know and take it as a guideline for further practice. The PDPA (Personal Data Protection Act) law is a Personal Data Protection Act which is set up to protect personal information which effective date is 1 June 2022.

In 2022, the Board of Directors has established a personal data protection policy and guidelines for directors, executives, employees and stakeholders to acknowledge and adhered to be a correct practice according to relevant laws. Moreover, there is the appointment **Data Protection Officer (DPO)**, who is the main person who plays an important role in protecting all personal data of the organization, whether it is

internal data such as (employee data) or external data (customer data) which is starting from the collection, disclosure, and use of information is completed

Policy and Guideline on Anti-Corruption

The board of directors has policy to perform by anti-corruption laws. In this regards, the company set its anti-corruption policy and practice in business ethics as well as raises awareness, value, and good attitude of its executives and staffs toward honesty.

The company has a policy of against all forms of bribery and corruption. Directors, executives and employees are prohibited from accepting or supporting all forms of corruption both direct and indirect including perform their work by practices, law, announcement, and related regulations.

In 2022, the company has reviewed the anti-corruption policy including guidelines for compliance with the anti-corruption policy, this is in order to be in line with the revised self-assessment form 4.0 (formerly 2.1) of the Thai Private Sector Collective Action Against Corruption (CAC) and regularly improving the company's action plan and to lead to apply for renewal of CAC membership every 3 years.

In this regard, the company submitted an application for renewal of CAC membership on September 30, 2022 and was certified for membership renewal on December 31, 2022.

Risk assessment

The company has established guidelines for monitoring and evaluating the implementation of anti-corruption policy by providing a risk assessment for corruption and bribery as part of the section that requires periodic monitoring by the Risk Management Committee.

In 2022, risk management committee assessed the potential of corruption by assessing corruption risk out of with others risk as there are risk management team (compliance unit) to monitor by following risk assessment practices which there was no corruption risk issued.

Training and communication

To be a guideline for anti-corruption and communicate to directors, executives and employees at all levels for acknowledgement in their duties and responsibilities for operation and implementation to achieve maximum efficiency. Moreover, All employees are required to receive various training courses which are related to the prevention of corruption.

In 2021, the company continuously communicate and arrange training to its employee on policy and practice of anti-corruption including related policy such as business ethics, receiving gifts or customer reception. Every employee can reach such policy via intranet system and communication board. The company also communicate anti-corruption policy to its customers, business related, and business representatives via appropriate channel for having same practices and acknowledgement via company's website.

Practices on governance, prevention and monitoring risk from corruption

The company prescribe anti-corruption practices regarding governance and monitor risk from corruption as following;

1. Provide examination process, assess the internal system, manage risk regarding priority work such as purchasing system, sale system, accounting record system, payment system etc. These are to prevent and monitor risk from corruption including provide appropriate opinion on solving guidelines.

2. Provide channel for receiving information on clues, complaints, offenses, violations of laws, regulations, or anti-corruption policies. The policy protects the contributors or clues and keep contributor's details as confidential. The company also determine the penalty and act by related laws. If the company can contact the complainant, The company will inform the results in written.
3. The head of the relevant department is responsible for monitoring the implementation or improvement of defects (if any) and report to the supervisor accordingly.

Guideline on governance, prevention and monitoring risk from corruption

1. All directors, executives, and employees must regularly follow "Corporate Governance Practices" which cover all practices regarding good governance, business ethics, director code of conduct, anti-corruption policy.
2. Provide internal audit to monitor internal control system, manage risk, corporate governance and provide appropriate feedback. The internal audit reviewed the annual audit plan approved by the Audit Committee and reported the significant results and recommendations to the Audit Committee.
3. The Risk Management is responsible for assessing the risks of corruption, implement effective anti-corruption as well as regularly review, improve and against corruption. The results are presented to the Risk Management Committee and report to the Board of Directors, respectively.
4. If any investigation found, and there is evidence that the complainant is guilty and there is penalty action in disciplinary (if any). Upon conclusion, the investigating committee shall report the findings to the Audit Committee, Corporate Governance Committee to proceed appropriately.

Policy and Principles of giving or receiving gifts or other benefits

- The Company allows the Executives and employees to give or receive gifts on special traditional occasions, which have no influence on the decision-making in business operation. In other words, giving or receiving gifts has been done with transparency.
- Gifts should not be costly, not in forms of cash or anything appraised as money.
- In case of receiving gifts or others on special occasions from business partners, the Secretary will record list of gifts and report to the Board of Directors.

In 2022, the Executives and employees have sent all gifts to the Secretary to allow employees in the organization to participate in draw lots (lucky) for the 11th consecutive year under the project of "From the heart of business partners ... to PG", to foster their pride for being a part of organization achievement.

Measure for the Protection of complainants (Whistle Blowing Policy)

The Company provides channels for complaints and clues both inside and outside the Company. They also deal with the appropriate complaints. The protection and confidentiality of the complainant is as follows.

1. Notification of Clues

The Company provides channels for reporting clues or complaints in case of suspected illegal activities or behavior that implies corruption or the offense against anti-corruption policy via the following channels:

- Company's website : www.pg.co.th
- Email or telephone

Units	E-mail	Telephone
Chairman of Audit Committee	kachornv@hotmail.com	-
Chairman of Corporate Governance Committee and Sustainable Development	santibangor@yahoo.com	-
Secretary to Audit Committee	pgaudit@pg.co.th	0-2685-6533
Company Secretary / Investor relations	suvimol@pg.co.th	0-2685-6509

- By post:
To Chairman of Audit Committee / Chairman of Corporate Governance Committee / Company Secretary / Secretary to Audit Committee
 People's Garment Public Company Limited
 666 Rama 3 Road, Bangpongpan, Yannawa
 Bangkok 10120
- By Telephone number : - Company Secretary 0-2685-6509
 - Secretary to Audit Committee 0-2685-6533
- By Fax no. 0-2294-5159

2. Complaint Processing Process

After getting clue or complaint, The company will conduct a preliminary investigation then forward to the Investigative Committee to carry out the collection, processing, examination and conclusion of measures to implement. The investigation results are reported to the Managing Director, Chairman, Executive Committee, Audit Committee Corporate Governance Committee and the Board of Directors, respectively. The company also notify such results to the complaint for acknowledgement.

3. Protection measures

This is to protect the rights of the whistle-blower / complainant and the co-investigator from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment or termination of employment. The Company will not disclose any information, or identify documents of whistle blower unless required by law. The company prescribes protective measures in case of insecure or may be damaged. Those who have suffered or damaged will be relieved with proper and fair procedures.

In addition, the Company provides the opportunity to stakeholders to express their opinions, suggestions, as well as complaints through channels and activities organized by the Company, for example, the Annual General Meeting of Shareholders of the Company and event Analysts and investors found Saha Group, which questions, comments, suggestions and complaints will be forwarded to the relevant authorities to take corrective and improving actions to meet the requirement of all stakeholders. If company found any person who committed a wrongful act on company code of conduct, anti-corruption policy will be disciplined according to the company regulations or be punished by the relevant laws.

In 2022, business operation, there has never been action taken against a later-than stipulated announcement of information, a violence of labor law or any other law related to employment, consumers, business competition, and environment. There also has also never been any claim or petition made by stakeholders.

Chapter 4 Disclosure of Information and Transparency

Disclosure of Significant Information

The board of Directors attached importance to disclosure of significant information, both financial and non-financial information or information that might affect the company's share prices, to all shareholders and interested investors in complete, accurate, and equitable manners. The company discloses the information through channels that are easy to access information Equally and reliably in order that shareholders and interested investors to know important information of the company correctly, completely, quickly, timely, transparently, and with the same quality.

The disclosures are easy accessible and diverse channels to all stakeholders and party. Have all such information published in both Thai and English version on the Website of the Stock Exchange of Thailand and the company's Website, www.pg.co.th, in order to engender the confidential as follows:-

1. Corporate Governance

The Company arranges and disseminates the good corporate governance policy and principal, business ethics, and code of conduct (Revised edition), in writing and provide to all directors, executive and staff including public relation billboard, company intranet system, and company website (www.pg.co.th) including policies and practices against corruption and social responsibility policy

In 2022, the results of performance according to the corporate governance policy were reported in conformity with the good corporate governance principles set by the Stock Exchange of Thailand, and publicized via the annual information report form (Form 56-1), the Company's annual report (Form 56-1 One Report), and the Company website www.pg.co.th

2. Disclosure of Importance information regarding financial and non-financial

The Board of Directors has carried out the disclosure of the Company's significant data, including financial data and nonfinancial data as required under the Regulations of the Stock Exchange of Thailand and the SEC. Such disclosures were accurate, complete, timely and transparent, having been reviewed under the prescribed procedures. The information was published in both Thai and English via channels of the Stock Exchange of Thailand (www.set.or.th) and the Company website (www.pg.co.th) in both Thai and English, which are as follows:-

2.1 The information shown in the report (Form 56-1 (One Report) and Annual report of the company

The Company annual report was transparently and completely disclosed in every aspect, according to the Criteria of Disclosure of the Stock Exchange of Thailand and the Securities (SET) and Exchange Commission Thailand (SEC). In order to provide shareholders information in making the investment decision, the information has regularly been updated which was published through the Company's website.

In 2022, the Company has not been charged on any violation of SET or SEC Criteria of Disclosure.

2.2 Regarding the annual budget and quarterly budget, The Company has prepared the financial statements which passed the process of reviewing from the company auditor and approved by the Audit Committee and the Board of Directors before disseminating to shareholders and sending to SET and SEC. It is disclosed to shareholders and investors before the due date also disclosed significant information required in the notes of financial statements. Management discussion and analysis were disclosed on quarterly financial statements. Shareholders and general investors can use such information to make investment decisions.

2.3 Quarterly Financial Report The Company reports every quarterly financial operation results in case of the net profit of latest financial statement changes more than twenty percent from

the same period of last year. The Company has prepared the explanation and analysis of Management (Management Discussion and Analysis: MD&A) for the disclosure of the financial statements every quarter to keep investors be informed and understand the changes that occur to their financial position and performance of the company besides the numbers in the financial statements only. The company also disseminated analysis of quarterly operation via SET system and company website.

In 2022, financial statements both quarterly and annually in Thai and English version are disseminated via company website and can be downloaded. The Company financial statement was certified by Company Auditor with no conditions, though Company Auditor remarked that the Company sent financial statement to SEC and SET on time and not ordered to correct. There was no action from disclosure the information which does not meet requirements

3. Report on the Board of Director' Responsibilities with respect to the Financial Statements

The Board of Directors appreciates the significance of preparing an accurate and complete financial statement in accordance with accounting standards. The disclosure of such data have been reviewed by independent auditors and approved by the Audit Committee and Board of Directors before publication to the shareholders. Also, in order to secure confidence, the Board of Directors have prepared a report on the responsibilities of the Board of Directors to the financial statements, signed by the Chairman of the Board of Directors and the Managing Director, published in the Annual Report (Form 56-1 One Report) together with the Auditor's Report. Thus, investors are able to rely on such data when making decisions.

4. The Disclosure of Connected Transaction (Related Transaction) and/or the Entered Material Assets or Services Transaction

All these transaction should be approved by the Audit Committee and the Board of Directors so as to avoid any conflicts of interest. It should be carefully prepared for the best interest of the Company and shareholders. The company has disclosed the such transaction which has been considered and approved in complying with the rules of the Stock Exchange of Thailand and the SEC. Disclose the name of the person who made the transaction, relationship, characteristics of the transaction and the value of the transaction in both Thai and English language to the Stock Exchange of Thailand, which they were presented to the SET in both Thai and English languages, and disseminated in the Company's website, annual report and (Form 56-1 One Report) of the company, according to the regulations of SET.

In 2022, the Board of Directors has approved the connected transactions for 2 companies and 1 asset disposal transaction which has complied with the prescribed rules, including transactions not exceeding the approved limit. Details are provided in the section "Connected Transaction. (Related Transaction)

5. Designated the company directors and executive directors must report transaction of stock trading and stock holding including related persons

such as spouse and underage children: by arranging the report in accordance with laws which is related to person who hold the position of director and executives and the transactions must be reported to SEC as following;

- 5.1 Report of company stock holding when first time of being appointed as director or executive. Using form 59-1 and the report need to be submitted within 30 days counting from the day of being such position.
- 5.2 If there are any changing in stock holding such as trading or transferring, use form 59-2, the report must be submitted within 3 days counting from transaction date.
- 5.3 The company will show directors and executives name lists in form 35E-1 when first time of being the position. The report must be submitted within 7 days counting from the day of being such position.

Moreover, in every quarter, directors and executives including spouse and underage child are requested to report the company common stock holding to company directors for acknowledgement.

6. Designated company directors and executives including related persons must report their conflict of interest

which connected to company operation. The criteria and policy of disclosure are as follow:

- Report on the first office holding as the Director or Executive
- Report on any changes of stake holding data
- Report at the end of year
- In case of termination and reappointment as the Director in a consecutive way, the Director shall not present new report if there is no change of stake holding.
- The Directors and Executives should present report of stake holding to the Secretary within 1 month after being elected/ appointed, and changes. After that, the Secretary will send the copy of report, within 7 days, to the Chairman of Board Directors, and Chairman of Audit Committee.

In 2022, the Directors and Executives have already reported their stock transaction, Company' shareholding and changes of stake holdings (See details on "Shareholding and Management Structure")

7. Monitoring the use of internal data

The Company has implemented a measure to prevent the use of internal data. The stipulation on this issue is the company's business ethics under the topic of Conflict of Interest, and has been disclosed in the annual report under the title of Good Corporate Governance; the topic is "Chapter2: Equitable Treatment of Shareholders".

8. Policy on Corporate Social Responsibility (Social, Community, and Environment)

The Company set the policy in its mission for practical guideline and substantial perform. This is a mission which all employees shall participate. Its details are provided in annual report under topic "Driving business for sustainability".

9. Meeting and communicating information between the Executive Committee and Top Management

and Top Manager of each department: The company has set up the meetings every month between the Executive Committee, chief executive officers, and Top Manager of all department which have been organized in order to disseminate information on the organization's business targets and business strategies. Communications are made to employees throughout the organization in order to share common understanding and practices in the same direction so as to achieve the business targets.

Apart from financial report or other information technologies which are disclosure to the Stock Exchange of Thailand (SET) and Securities Exchange of Commission (SEC) via designated channels completely, precisely and timely, the Company also has revealed more information on several issues accordingly;

1. **The disclosure of structure of shareholding** โดย including name of the first ten major shareholders as closing date in the annual report, and disseminated via company website: <http://www.pg.co.th>.
2. **The disclosure of company organization** in company's website and annual report.
3. **The disclosure of shareholding of the Directors and Executives** in the annual report
4. **The disclosure of nature of business, company operation** and analysis of industrial trend and potential competitiveness, analysis of company performance, financial statement including company objectives and goal in topic "the nature of business" in the annual report.
5. **The disclosure of risky factors** in operating, types of risks, causes and effects, as well as guidelines to prevent or decrease risks in annual report.

6. **The disclosure of policy on distribution of dividend** in annual report.
7. **The disclosure of roles and functions of company directors and subcommittee** the number of meeting attendance individually in article no. 5. “the responsibility of company directors in annual report. The details of directors and executives are disseminated via company’s website.
8. **The disclosure of date and year of appointment** to be the directors that are presented in annual report.
9. **The disclosure of criteria of director nomination** and the assessment of director’s performance.
10. **The disclosure of the remunerations policy for Company Directors, Managing Directors, and Executives** by individually paid including type of payment, and the amount. The information are shown in article 5 “responsibilities of directors” in annual report.
11. The disclosure of development and training course that directors attended in the previous year.
12. The disclosure of internal control according to the concept of COSO revising framework in May 2013 as well as the result of internal control assessment, the results of assessment in 5 aspects with 17 principles, in the topic “internal control together with the corporate governance report from Audit Committee” published in the Annual report.
13. The disclosure of whistle blowing policy in Chapter 3: Roles of Stakeholders topic “anti-corruption policy” in the annual report.
14. **The disclosure of annual report and notice of the shareholder’s meeting** in Thai and English on the company website within 120 days, which is able to download.
15. **The disclosure of charters, duties, responsibilities, qualifications and directorship terms of the Board of Directors and all Board Committees** are publicized through the company’s website.
16. **The disclosure of the Company’s article of association, vision and mission** on the company’s website.
17. The disclosure of audit fee and other services fee beside audit fee in annual report
18. Dissemination information and press release via company’s website

The dissemination of Company’s information

The company emphasizes on the information disclosure with complete, transparency, accurate via communications channel. Messages were sent through a variety of media channel to the benefit of the stakeholders such as;

Regarding the investor relations, the company provide Investor relations unit in order to communication important information to shareholders, analysts, investors, and individuals. The company has designated the company secretary unit to serve investor relations service to disclosure significant information data and information to investors and relevant persons. This is to facilitate them to access information easily with diverse channel. In this regard, the following person can be contacted:

Mrs. Suvimol Charoensrichai Company Secretary
 Telephone : 0-2685-6509
 Fax : 0-2294-5159
 E-mail : suvimol@pg.co.th

The Company announced the person and channel for contact via company website: www.pg.co.th under the topic “Investor Relations”.

In 2022, due to the situation of the Coronavirus 2019 (COVID-19), which has continued to increase and spread widely and easily to the general public. The company communicates important and useful information

through the news distribution channel of the Stock Exchange and company website to serve as a communication channel between the company, shareholders, and investors instead of organizing activities “Investors and analysts meet SAHA Group”

Important information are disclosed on the Company’s website are as follows:

- Shareholders structure
- Organizational structure
- Company regulation and memorandum
- Corporate governance policy / Corporate governance criteria / Business Ethics / Ethics of Directors, management and employees / Anti-corruption policy and the guidelines of Anti-Corruption Policy
- Personal Data Protection Policy and guidelines as following:-
 - Guidelines for Employees and Job applicant
 - Guidelines for customers, partners and external visitors
 - Guidelines for Closed Circuit Television (CCTV)
 - Guidelines for personal data security measures
 - Guidelines for management of complaints of the owner of personal data
- Annual report (Form 56-1 One Report)
- Financial statement / financial performance including management’s discussion and analysis for every quarter, both in Thailand and in English
- The board of directors charter
- Contact details and investors relation officer

Chapter 5 Responsibility of the Board of Directors

The Board of Directors play a vital role in providing guidelines for Company’s execution, monitoring the operation performance, issuing the policy of good corporate governance, business ethics, and employees’ morality, included anti-corruption policy in written version and also disseminated such policy as a practice through organization. The company protect benefits for its shareholders also supervise the activities as legally implemented

In the year 2022, the following cases had never happen to the company.

- Severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand
- Corruption action or violation of ethics.
- Resignation of a non-executive director due to the reason of good governance.
- Loss of creditability due to the Board of Director’s failure in monitoring the business

1. The Structure of the Board of Directors

The Board of Directors consists of the Directors, the audit committee, the Remuneration committee, the nomination committee, the risk management committee, the corporate governance committee, the executive board, Managing Director, and company secretary, with approved qualifications and ability to check and balance each other.

Policy on board diversity

The Board of Directors has established a policy for the structure of the Board of Directors. There is diversity (Board Diversity) in terms of educational qualifications, professional skills, and specific expertise that are beneficial to the business of the company and in accordance with the company's strategy without gender, age and race discrimination, which can be seen from the current structure of the Board of Directors. The structure is consisting of qualified directors with knowledge and expertise and diverse experiences both in accounting, finance, engineering, management, marketing, law and textiles, and there are both male and female directors. The number of directors of the Company is appropriate.

Every time after the shareholders' meeting, the Board of Directors holds a meeting to establish sub-committees which has been earlier screened by the Nomination Committee. In 2022, the Board of Directors Meeting No. 2/2022 on Monday 9th May 2022 passed resolution to establish 6 sub-committees and clearly authorized their duties and responsibilities and tenure.

With regard to the Company's regulations, the Board of Directors is comprised of at least 5 directors, and the greater part of more than 50% is currently living in the Kingdom of Thailand.

The Board of Directors comprises of individuals who are competent and plays important role in determining company policy. They work with senior management to implement operation plans, stipulate monetary policy and risk management policy. They participate a significant in supervise, monitor and evaluate the company performance.

1.1 The board of Directors

In 2022, there were 13 directors who named on certification letter of ministry of commerce consisting of;

Name of Director	Position	Date of Appointment	Year In the position
1. Mr. Boonkiet Chokwatana	President	April 24, 1989	32 years 8 months
2. Mrs. Somporn Tiyaiboonsiri	Director	July 2, 1982	39 years 6 months
3. Mr. Chailert Manoonpol	Director	July 29, 1985	36 years 5 months
4. Mrs. Sunan Niyomnaitham	Director	July 29, 1986	35 years 5 months
5. Mrs. Teerada Ambhanwong	Director	April 26, 1999	22 years 8 months
6. Mrs. Nuchanart Thammanomai	Independent Director	April 26, 1999	22 years 8 months
7. Mrs. Chortip Pramroj Na Ayudhya	Independent Director	April 22, 2002	19 years 8 months
8. Gen. Konechamart Chunnabhata	Independent Director	April 28, 2009	12 years 8 months
9. Mr. Santi Bangor	Independent Director	April 28, 2009	12 years 8 months
10. Mr. Viritpol Chaitavornsathien	Director	April 26, 2016	5 years 8 months
11. Mr. Khachornsakdi Vanaratseath	Independent Director	April 25, 2017	4 years 8 months
12. Mrs. Kityaporn Chaitavornsathien	Director	November 9, 2020	1 years 1 months
13. Mr. Piranart Chokwatana	Director	May 26, 2022	8 months
Mrs. Suvimol Charoensrichai	Company Secretary		

Authorized Directors

An authorized act having a binding effect on the Company is requires the signatures of 2 directors out of the following 8 directors as well as the Company seal, namely as below:-

- | | |
|-------------------------------------|----------------------------|
| 1. Mr.Boonkiet Chokwatana | 2. Mr.Chailert Manoonpol |
| 3. Mr.Viritpol Chaitavornsathien | 4. Mrs.Sunan Niyomnaitham |
| 5. Mrs.Somporn Tiyaviboonsiri | 6. Mrs.Teerada Ambhanwong |
| 7. Mrs. Kityaporn Chaitavornsathien | 8. Mr. Piranart Chokwatana |

The board of director comprises of

	Number (person)			Percentage
	Male	Female	Total	
Non - Executive Director	3	3	6	46.15
Independent Director	3	2	5	38.46
Executive Director	1	1	2	15.39
Total	7	6	13	100.00

- The ratio of non-executive directors to all directors 85 : 15
- The ratio of independent directors to all directors 38 : 62
- Proportion of male and female committee members 54 : 46

In addition, the Company has 3 non-executive directors who have work experience related to the Company's core business, namely Mr. Boonkiet Chokwatana / Mrs. Somporn Tiyaviboonsiri. and Mr. Chailert Manoonpol

The Board of Directors consists of 5 independent directors, or 38.46% of the entire Board which is higher than a standard stipulated (one third or 33.33%) by the Capital Market Supervisory Board. The independent directors response in examining the operation of management team, expressing the opinion, supporting policy that benefit to shareholders or opposing the unfair or ambiguous that may effect to benefit of shareholders and stakeholders. The independent director also monitors on dissemination of related transaction to ensure that company and shareholders have the best interest.

Person with authority to control

The Company does not have a person with authority to control who has influence over the management policy or operation of the Company.

The authority of company directors

1. To supervise and manage the administration in compliance with objective, company' s articles and resolution of shareholders' meeting as well as legal compliance.
2. To appoint one Director to be President and anybody to be Vice - President as appropriate.
3. To appoint, demote or empower the advisor of board of directors, other sub-committee, managing director, secretary company, and/or any other persons to practice
4. To approve a loan to related company as a shareholder or business partner or other company that has business relationship to company in case of the financial amount lying beyond the authority of executive directors.
5. To approve the guarantee of credit facilities to business partner as a shareholder or other company that has business relationship to company in case of the financial amount lying beyond the authority of executive directors.

6. To approve nonfinancial juristic act in case of the financial amount lying beyond the authority of executive directors.
7. To approve collection or cancelation of credit facilities in case of the financial amount lying beyond the authority of executive directors.
8. To approve investment and trading of stocks or other assets in case of the financial amount lying beyond the authority of executive directors.
9. To approve acquirement and investment in fixed asset in case of the financial amount lying beyond the authority of executive directors
10. To approve adjustment, destroy, amortization of intangible asset and fixed asset that unworkable such as out of order, lost, destroyed, ruined, deteriorated, out of date in case of total book value lying beyond the authority of executive directors.
11. To approve price adjustment and destruction of raw materials, dead products or out of fashion products that lower book value in the financial amount that lying beyond the authority of executive directors.
12. To approve compromise, settlement of disputes by arbitration, complaint, lawsuit and/or implementation of judiciary on behalf of company for the matter of normal and abnormal commerce in case of the capital lying beyond the authority of executive director.
13. To propose the increase and decrease of capital or changing in stock value or amendment of memorandum of association, regulations, and/or company's objective to shareholders
14. To approve the Chairman or executive committee for the responsibility on determining operating authority manual.
15. Having the authority to invite management team, executives and employee to present and express their opinion or submit related documents.
16. To consult the specialist or company consultant (if any) or hire consultant or specialist in necessary case by company's expenses.
17. To appoint and remove company secretary.
18. All the above authorities of company directors related to acquisition or disposition of assets and connected transaction need to be performing according to the regulation of the capital market commission

Duties and responsibilities of The Board of Directors

1. To formulate visions, tasks and business policies of the Company.
2. Approve the annual business plan and annual budget, as well as supervising the operations by the management to well comply with the laws, policies, and plans in an efficient and effective manner.
3. Promote the establishment of corporate governance policy, business ethics, and business morality in writing, to serve as guidelines for the directors, the management, and the employees, in carrying out their business practices, while regularly following up to ensure their strict adherence and compliance accordingly.
4. Set up adequate internal control systems, so as to ensure that all transactions receive proper approval from the authorized persons, and that proper accounting review and bookkeeping practice are carried out, while proper checking systems are in place to safeguard against unauthorized exploitation of company assets
5. Ensure that careful consideration is given to the issue of conflict of interests, and that clear practice guidelines are in place to safeguard the interests of the shareholders and the company. Also ensure that the persons having interests at stake do not take part in adopting the decision, and that all concerned parties strictly follow the procedures and regulations to disclose relevant information in a proper manner
6. Grant approval to financial statements already audited and verified by the certified public accountant, and earlier approved by The Audit Committee.

7. Being accountable to all shareholders on an equal basis, while ensuring that information are disclosed to the shareholders and investors in an accurate, reliable, and transparent manner.
8. Acknowledge the corporate management report prepared by The Executive Board.
9. Approve the interim dividend payment and report to shareholders' meeting for acknowledgement.
10. Set the date, time, and place for the annual shareholders' general meeting, and convene said meeting accordingly. Also set the rate for dividend payments (if any), and provide comments relating to the meeting agenda to the shareholders. In that regard, the company may suspend shares transfer registration for the period of 21 days leading up to the meeting, whereby the company is required to post such announcement to the shareholders at the company's head office and its subsidiaries for the period of no less than 14 days prior to such suspension. Otherwise, the company may set the date to finalize the shareholders' list (Record Date: RD) no longer than 2 months prior to the meeting to entitle the shareholders to attend the meeting, and to be eligible for dividend payments.
11. Prepare The Board of Directors' responsibility report toward financial statements compilation, and disclose said report in the company's annual report (form 56-1 One Report)
12. Report shareholding structure anytime of changing.
13. Supervise the compilation of the documents required to be submitted to concerned regulating agencies, to ensure that all information contained therein are true and accurate in accordance with the information appearing in the accounting books, the registration book, and other official documents of the company.
14. Approve the charter for The Board of Directors, and/or other committees
15. Engage in those acts lying beyond The Executive Board's authority, or as deemed necessary by The Board of Directors.

1.2 Duties and Functions of President

1. Consider and determine meeting agenda with managing director and supervise all directors to receive information correctly, completely, clearly and in time before meeting in order to have appropriately consideration
2. Be leader of the board of directors and be the president in board of directors meeting.
 - 2.1 To proceed the meeting in according to agenda, regulations, and laws.
 - 2.2 To allocate adequate time and encourage all directors to express opinion freely, discretion, and respect all stakeholders.
 - 2.3 To clearly summarize the meeting resolution and operations.
3. To be leader in shareholders' meeting and proceed the meeting in according to agenda, regulations, and laws. Also allocate adequate time including equally give the opportunities to shareholders for express their opinion and answer the questions appropriately and transparently.
4. Support and be model in performing by good corporate governance and ethics
5. Strengthen the relationship and support the work between the Board of company and management team.
6. Monitor the disclosure of information and transparency in the management of conflicts of interest
7. To ensure that the Board has the appropriate structure and composition.

1.3 Merger and Segregation between Boards and Managements

The Company prescribes that the Chairman of the Board of Directors shall not be an Executive Director, Managing Director. There is a clear separation in the functions with respect to supervisory policies and the management of routine functions. The Company has prepared a Charter of the Board of Directors with clearly prescribes and delineates the powers of all committees and the Managing Director.

Chairman of the Board of Directors is responsible for being the leader and controller of Board of Directors meetings in order to ensure independence. All Directors are able to express opinions or make suggestions fully.

The management of the executives is supported through the grant of powers and responsibilities to the Managing Director. The Board of Directors does not interfere with routine management work.

Although the Chairman of the Board of Directors is not an Independent Director, แต่ the Company remains confident that the discharge of duties has always been undertaken with an understanding of good corporate governance principles. Decisions on significant matters approved by each relevant committee have achieved a balance and reviewed as well as strictly complied with.

In 2022, the Executive Board consists of 8 Executive Directors leading by the chairman of executive board for the execution of management planning to comply with the policies of the Board of Directors. The Executive Directors also participated in stipulating policies and missions of the company together with the board of director.

1.4 Directors term and number of year term

Term of Directorship

1. At each annual shareholders' general meeting, one-third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election
2. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
3. Apart from retiring upon term completion, the company director shall also relieved of his/her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position
4. The company director resigning from the position before term completion is required to submit his/her resignation letter to the company, with such resignation coming into effect on the date of said submission and may notify the resigning to registrar of resignation under the law of public company.

Furthermore, nomination committee screen and nominate right person to ensure that the elected person has knowledge, capability, and experience before proposing to the board of directors. Term of all company directors and independent directors are disclosed the above.

Term of independent directors

The board of directors does not specify the office holding term of independent directors since the shareholders' meeting will approve the resolution of the election of company directors and independent directors.

The board of directors has information for considering the election of independent directors whose term has ended. However, the number of years taking in the position of its being considered both in the meeting invitation letter and annual report

In 2022, there were 5 independent director named below;

Independent Directors	Appointment date	Years
1. Mrs. Nuchanart Thammanomai	April 26, 1999	23 years 8 months
2. Mrs. Chortip Pramoj Na Ayudhya	April 22, 2002	20 years 8 months
3. Gen. Konecharnart Chunnabhata	April 28, 2009	13 years 8 months
4. Mr. Santi Bangor	April 28, 2009	13 years 8 months
5. Mr. Khachornsakdi Vanaratseath	April 25, 2017	5 years 8 months

1.5 Determining the number of listed companies that directors and/or managing directors to be a director

The Board of Directors has not specified the number of listed companies that each director takes a director position, believing that competency and business expertise of each director has nothing to do with the number of companies he takes if every director has commitment and determination to perform his duty as he has been trusted by the Board of Directors and the shareholders.

The Directors who hold office in other companies should be approved by the Board of Directors, according to the regulations of holding office for the Directors.

The Company recognizes the value of experiences that directors gain from holding positions of directors at other companies. In addition to the nomination criteria that the Nominating Committee will consider appointing a person to be a director of the Company by considering the knowledge, ability and sufficient time to perform duties for the Company. At present, no director holds a directorship position in more than 5 listed companies. The company discloses the names and details of each director's position in other companies according to Attachment No.1 in the annual information report form (Form 56-1), One Report).

Being company director of listed company (No. of company)	No. of company director (person)	Percentage	Name lists		
5 companies	1	7.69	Mr. Boonkiet	Chokwatana	Non-executive director
3 companies	2	15.39	Mrs. Teerada Mr. Khachornsakdi	Ambhanwong Vanaratseath	Non-executive director Independent director
2 companies	4	30.77	Mrs. Nuchanart Mr. Santi Ms. Kityaporn Mr. Piranart	Thammanomai Bangor Chaithavornsathien Chokwatana	Independent director Independent director Non-executive director Non-executive director
1 company	6	46.15	GEN. Konecharnart Mr. Chailert Mrs. Somporn Mrs. Chortip Mr. Viritpol Mrs. Sunan	Chunnabhata Manoonpol Tiyaviboonsiri Pramoj Na Ayudhya Chaithavornsathien ** Niyomnaitham **	Independent director Non-executive director Non-executive director Independent director Executive director Executive director
	13	100.00			

Remarks: ** Executive Director who hold position as director only 1 listed company

Regarding holding office in the other listed companies, the Company's Directors and Chief Executive Committee, Directors and Chief Executives Officers of the Saha Group will consider such criteria of those companies as types of business and the necessity in assigning the Managing Director or the Company Executive to be the Company's representative concerning partnership or partnership contract. If necessary, they will send the Director or the Executive who has knowledge, skills, and expertise in that area to hold office.

1.6 Self-evaluation by The Board of Directors

The Board of Directors provides an evaluation of the Board of Directors' performance, evaluating the performance of the Company's directors individually and the performance appraisal form of the sub-committees for the year 2022, which has been prepared annually so that each director can jointly consider and evaluate the overall performance of the Board of Directors. This is to review the work. problems and obstacles during the past year To help the work of the Board of Directors more efficient.

The company secretary has sent the assessment form to all directors. All directors are independent in making such assessments and when the assessment form has been completed, it must be returned to the company secretary in order to gather and summarize the results and report to the Board of Directors for acknowledgment in the Board of Directors' meeting.

For the evaluation criteria, calculating in percentage of the full score in each item is as follows:

Score	Criteria
Up to 90 percent	Excellent
Up to 70 percent	Very Good
Up to 50 percent	Fair
Less than 50	Need improvement

Annual Assessment of the Board of Directors

The Board of Directors set performance assessment of the Board of Directors. The assessment is divided into 3 areas as following;

1. Role, Duty and Responsibility of the Board of Directors
2. Independently
3. Relationship between executives and stakeholders

Annual Assessment of company directors by individually

The Board of Directors set individually performance assessment of company directors. The assessment is divided into 3 areas as following;

1. Role, Duty and Responsibility
2. Duties of the Board of Directors
3. Self-development

Annual Assessment of sub-committee

The Board of Directors set performance assessment of sub-committee. Each member need to assess working performance of their own sub-committee in overall image. The assessment is divided into 3 areas as following;

1. Director Structure and qualification
2. The Director's meeting
3. Role, Duty, and Responsibility

Annual Assessment of Executives Committee

Board of Directors provide a self-assessment of the Executive Committee. Each member is responsible for evaluating other Executive Directors on specific topics. The evaluation results is used as a part of determining the remuneration to Executive Directors and another part is from the discretion of Remuneration Committee. The assessments are as following;

1. Role, Duty, and Responsibility
2. Relationship with subordinates and stakeholders
3. Self-development
4. Working transparency

The average rating of the Board of Directors, both individual and sub-committees.

	Scored	Criteria
1. The Board of Directors	85.34	Very Good
2. The Board of Directors by individually	87.88	Very Good
3. The Audit Committee	91.11	Very Good
4. The Nomination Committee	85.56	Very Good
5. The Remuneration Committee	85.50	Very Good
6. The Risk Assessment Committee	84.00	Very Good
7. The Corporate Governance Committee	86.36	Very Good

Annual Assessment of Managing Director

The assessment of Managing Director was done by the remuneration committee. The evaluation criteria is as following ;

1. Leadership
2. Company performance (Sale revenue and profitability)
3. Applying policies and strategy planning
4. Relationship to the board of directors and stakeholders

The Remuneration Committee has assessed the performance of the Managing Director for the year 2022.

1.7 Development of Directors and Executive Officers

The Board of Directors and executive officers have appreciated their roles, duties and responsibilities to the Company. Thus, the Company has attached importance to the development of all personnel throughout the organization, consistent with the leadership and vision of the Directors and executive officers, in order to enhance knowledge, competencies, skills and potentials. The Board of Directors and executive officers are encouraged to attend seminars and training in courses that are beneficial to the performance of functions as are held internally or externally, including work visits abroad. The following is samples of courses trained by IOD:

- Director Accreditation Program (DAP)
- Director Certification Program (DCP)
- Finance for Non-Finance Director
- Roles of Compensation Committee Program (RCC)

In 2022, the Company's Director attended some seminar and training courses, i.e.

Director / Executives	Seminar / Training course
Mr. Chailert Manoonpol	Expansion of the Anti-Corruption Alliance by Mr. Thanakrit Permpoonkantisuk
Mr. Viritpol Chaithavornsathien	<ul style="list-style-type: none"> - Roles of executives and employees in anti-corruption by Mr. Thanakrit Permpoonkantisuk - Expansion of the Anti-Corruption Alliance by Mr. Thanakrit Permpoonkantisuk
Mr. Santi Bang-or	<ul style="list-style-type: none"> - Easy listening on Accounting knowledge that AC should not miss out organized by the Office of the Securities and Exchange Commission. - Expansion of the Anti-Corruption Alliance by Mr. Thanakrit Permpoonkantisuk
Mr. Piranart Chokwatana	Participating in orientation for new directors
Mrs. Sunan Niyomnaitham	<p>Courses organized by the Thai Listed Companies Association, 4 courses</p> <ul style="list-style-type: none"> - The role of the CFO for corporate sustainability - ESG Bonds in corporate financing "Raising funds and investments to support business operations within sustainability goals (ESG)" - PDPA for Accounting and finance - Economic update for CFO <p>Courses Organized by the SEC, 2 courses</p> <ul style="list-style-type: none"> - Final Call : PDPA Onboarding - Value of Audit Dissemination of results of study the Value of Audit project <p>Course Organized by EY Office Limited, 8 courses</p> <ul style="list-style-type: none"> - New merger law, opportunities and new forms of mergers and acquisitions - Summarize the main principles of Thai Financial Reporting Standards for Non-Publicly Accountable Entities , revised version 2022 - The challenge of transfer pricing after COVID-19, the intensity of government inspections and readiness in the business sector - CFO's challenge with financial reporting in an era of economic volatility - Issues of sustainable business operations that businesses should pay attention to - Financial and ESG Reporting - IPO Focus focuses on financial statements and ESG reporting for the IPO. - Summary of key points The amendment of the draft financial reporting standards for Non-Publicly Accountable Entities business - Digital assets tax update <p>Organized by the Saha Group Accounting and Finance Management Club: VAT for the whole system</p> <ul style="list-style-type: none"> - Roles of executives and employees in anti-corruption by Mr. Thanakrit Permpoonkantisuk

Director / Executives	Seminar / Training course
Ms. Sasivimol Kluysritrakul	<p>Organized by EY Office Limited, 8 courses</p> <ul style="list-style-type: none"> - New merger law, Opportunities and new forms of mergers and acquisitions - Summarize the main principles of Thai Financial Reporting Standards for Non-Publicly Accountable Entities, revised version 2022 - The challenge of transfer pricing after COVID-19, the intensity of government inspections and readiness in the business sector - CFO's challenge with financial reporting in an era of economic volatility - Issues of sustainable business operations that businesses should pay attention to - Financial and ESG Reporting - IPO Focus focuses on financial statements and ESG reporting for the IPO. - Summary of key points The amendment of the draft financial reporting standards for Non-Publicly Accountable Entities business - Digital assets tax update <p>Organized by the Accounting Association of Kasetsart University, 2 courses</p> <ul style="list-style-type: none"> - Important issues for the improvement of NPAEs standards that will be enforced in 2023 - Organized by the Saha Group Accounting and Finance Management Club: VAT for the whole system <p>Roles of executives and employees in anti-corruption Mr. Thanakrit Permpoonkantisuk</p>
Mrs. Suvimol Charoensrichai	<p>Organized by the Thai Listed Companies Association, 3 courses</p> <ul style="list-style-type: none"> - Techniques for preparing minutes of meetings - Circular Economy Business Models - Preparing for PDPA Enforcement for Company Secretary <p>Organized by the SEC, 2 Courses</p> <ul style="list-style-type: none"> - Business and human rights for listed companies - Final Call: PDPA Onboarding <p>Organized by the Thai Institute of Directors Association</p> <ul style="list-style-type: none"> - CGR Project Survey Criteria for the year 2023 <p>Roles of executive and employees in anti-corruption by Mr. Thanakrit Permpoonkantisuk</p>
Ms. Kalayanee Chantarapikul Mrs. Nuchapunporn Sunthornviset Mrs. Photchamarn Engkanisarn	<p>Roles of executives and employees in anti-corruption by Mr. Thanakrit Permpoonkantisuk</p>

Director / Executives	Seminar / Training course
Ms. Salinla Chaiput	<p>Courses organized by the Federation of Accounting Professions, 1 course</p> <ul style="list-style-type: none"> - All editions of TFRS Year 2022, Class 2/22 (Subcourse 101) <p>Corse organized by the Thai Listed Companies Association, 3 courses</p> <p>Corse organized by the Thai Listed Companies Association, 3 courses</p> <ul style="list-style-type: none"> - Data Disclosure for Analysis of Company Operations (MD&A) - PDPA for Accounting and finance - Economic update for CFO <p>Courses organized by EY Office Limited, 8 courses</p> <ul style="list-style-type: none"> - New merger law, Opportunities and new forms of mergers and acquisitions - Summarize the main principles of Thai Financial Reporting Standards for Non - Publicly Accountable Entities , revised version 2022 - The challenge of transfer pricing after COVID-19, the intensity of government inspections and readiness in the business sector - CFO's challenge with financial reporting in an era of economic volatility - Issues of sustainable business operations that businesses should pay attention to - Financial and ESG Reporting - IPO Focus focuses on financial statements and ESG reporting for the IPO. - Summary of key points The amendment of the draft financial reporting standards for Non-Publicly Accountable Entities business - Digital assets tax update <p>Course organized by the Saha Group Accounting and Finance Management Club: VAT for the whole system</p> <p>Roles of executives and employees in anti-corruption by Mr. Thanakrit Permpoonkantisuk</p>

Orientation of New Directors

The Company has arranged for the orientation of new Directors in order to inform them of the Company's policies and relevant information, such as the Company's principal business, operating results, organizational structure, shareholders, including relevant rules and regulations as well as plant visiting. Also, for the benefit of the discharge of functions by new Directors, the Company has prepared a handbook for Directors, as follows.

1. Director's Handbook

- Securities and Exchange Act (No. 4) B.E. 2551 (2008)
- Certificate of Registration as a Public Limited Company/ Company Certification and Objects of the Company / SEC's Listed Company Directors Handbook
- Charter of the Board of Directors /Articles of Association / Good Corporate Governance Handbook

2. Other

- Visions and goals of the Company / Annual Report together with an introductory presentation on the Company's business description for new Directors.

3. Organize meetings with the Chairman, Managing director and Chief Executives Financial Officer

for inquiries about the company's business operations by assigning the Company Secretary to be the coordinator for various matters.

Current directors and Management Executives

The company attaches importance to the promotion of knowledge to current directors. Encourage directors to attend training courses related to the roles and responsibilities of directors organized by IOD. Moreover, there are 11 persons of 13 of Company's directors have passed the training from IOD, representing 84.62%, including courses related to the roles and responsibilities of directors. and related to the company's business.

In addition, there is encouraging executives to gain knowledge about the laws and regulations related to the performance of executive duties, including training / seminars that are beneficial to the organization and the trainers

Relevant parties in corporate governance

The Company Secretary, the secretary to the Audit Committee, officers engaged in investor relations, as well as those doing relevant jobs, regularly attend assorted training courses and sit in on seminars on relevant and current topics, and topics that are helpful to their performance organized by SEC, SET, Listed Companies Association, and IOD.

1.8 Company Secretary

The board of directors had appointed Mrs. Suvimol Charoensrichai as company secretary. (The duties and responsibilities detailed in topic : management structure, subject "company secretary") .

2. Sub committee

The company has 6 sub committees in order to further supervise the operations of the company which details below

	Persons	Independent Directors	Non-Executive Directors	Executive Directors	Executive Officers**
1. Audit Committee	3	3	-	-	-
2. Remuneration Committee	4	1	2	1	-
3. Nomination Committee	4	1	2	1	-
4. Risk Management Committee	6	1	1	1	3
5. Corporate Governance Committee and Sustainable Development	4	1	-	2	1
6. Management Executive	8	-	-	2	6

Remarks : ** Executive Officer which was not the Company Director.

All sub-committees need to be selected by the nomination committee which duty on carefully proposed appropriate person to be appointed by the board of directors. Sub-committee has specific duties and presents the subject to the board of directors for acknowledgement. The board of directors may appoint other sub-committee in compliance with appropriateness and situation. Sub-committees are not comprised entirely of Independent Directors, but Non-Executive Directors, Executive Directors and Independent Directors.

All such Directors are qualified and have a good understanding of their roles as Directors and committee members. Functions are performed with responsibility, loyalty, honesty, morality, care, prudence and independence. It is believed that all Directors have such an understanding and carry out strict compliance. The composition of each committee is also accepted by the shareholders which composition, qualification, meeting, tenure, and scope of duties and responsibilities of each sub-committee are complying with content that the Board of Directors has specified in the charter.

Furthermore, the company reviews performance of the board of directors and sub-committee annually.

However, the Directors and Chief Executives have never been employed or be in a partner of the external audit firm during the past two years.

2.1 Audit Committee

In 2022, The Board of Directors' meeting No.2/2022 held on May 9, 2022 approved a resolution of appointment of Audit Committee. The committee appointed at least 3 persons who have qualification in accordance with laws of The Stock Exchange of Thailand and one of them must have accounting and financial knowledge to be audit committee as named below.

Names	Position	
1. Mr. Khachornsakdi Vanaratseath	Chairman of Audit Committee	Independent Director, having knowledge on Accounting and Finance
2. Mrs.Nuchanart Thammanomai	Member of Audit Committee	Independent Director, having knowledge on Law
3. Mr.Santi Bangor	Member of Audit Committee	Independent Director, having knowledge on Financial
Ms. Warassara Bunchujaras	Secretary to the Audit Committee	

Remark : Audit Committee has its term for one year, which starts counting on May 10, 2021 onward.

Meeting : In 2021, Audit Committee convened 5 meeting. All 3 members of the committee attended all meetings.

Functions and Responsibility of Audit Committee performing by the Charter of Audit Committee

1. To review the financial statements of the Company to ensure that financial reporting is sufficient and accurate.
2. To review the internal control system and internal audit to ensure efficiency and effectiveness, to monitor anti-corruption and to consider the independence of internal audit units as well as to give approvals for appointments, transfers or terminations of heads of internal audit units or other units responsible for internal audits.
3. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and laws relating to the Company's businesses.
4. To consider, select, propose and demote independent persons for appointment as the Company's auditors and propose the remuneration for such persons, and also to attend meetings with the auditors without the presence of the management which must be held at least once a year.
5. To scrutinize connected transactions or transactions which may contain conflicts of interests in order to ensure compliance with the law and regulations of the Stock Exchange of Thailand, as well as to ensure that that such transactions are entered into reasonably and are in the best interests of the Company.

6. To prepare an Audit Committee Report which must be disclosed in the Company Annual Report. Such report must be signed by the Chairman of the Audit Committee and consist of at least the following information:
 - (a) Opinion pertaining to the accuracy, completeness and reliability of the Company's financial statements;
 - (b) Opinion pertaining to the sufficiency of internal controls in the Company;
 - (c) Opinion pertaining to compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses;
 - (d) Opinion pertaining to the suitability of the auditor;
 - (e) Opinion pertaining to transactions that could potentially give rise to conflicts of interests;
 - (f) The number of Audit Committee members and the meeting attendance of each Audit Committee member;
 - (g) General opinion or observation expressed by the Audit Committee in relation to the performance of functions under this Charter;
 - (h) Other items deemed as necessary information for shareholders and investors generally within the scope of duties and responsibilities as assigned by the Board of Directors.
7. In the discharge of its duties, if the Audit Committee finds or is under a suspicion that the following transaction or act has been committed, which may have a substantial impact on the financial standing and operating results of the Company, the Audit Committee shall file a report to the Board of Directors in order to effect remedial actions within the period as deemed appropriate by the Audit Committee:
 - (a) transaction giving rise to a conflict of interests;
 - (b) fraud or irregularity or a significant deficiency in the internal control system.
 - (c) violation of the law on securities and exchange, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses. If the Board of Directors or executive officers fail to carry out the remedies within the prescribed period, any Audit Committee member may report such transaction or action to the Office of the Securities and Exchange Commission or Stock Exchange of Thailand.
8. To support and monitor the Company's implementation of an efficient risk management system.
9. To revise and amend the Charter of the Audit Committee and propose such revision or amendment to the Board of Directors for approval
10. To perform other acts as assigned by the Board of Directors with the approval of the Audit Committee pursuant to powers under the Company Articles and the law.

Responsibility

In performing the above duties, the Audit Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.2 Remuneration Committee

In 2022, the Board of Director meeting no. 2/2022 on May 9, 2022 considered and approved the appointment of 4 members of Remuneration Committee, with 1 Independent Director as following names;

Names		Position	
1. Mr. Boonkiet	Chokwatana	Chairman of Remuneration Committee	Non-Executive Director
2. Mrs. Sunan	Niyomnaitham	Director	Executive Director
3. Mrs. Chotip	Pramoj Na Ayudhya	Director	Independent Director
4. Mrs. Kityaporn	Chaithavornsathien	Director	Non-Executive Director

Remark : Remuneration Committee has its term for one year, which starts counting on May 9, 2022 onward.

Meeting : In 2022, the Remuneration Committee convened 2 meetings. All 4 members of the committee attended the meeting.

Functions and Responsibility of Remuneration Committee

1. To determine the remuneration of Company Directors, taking into consideration other companies in the same industry, the growth and performance of the Company and the remuneration limit approved by the meeting of shareholders and remunerations paid in the preceding year, in order to make a proposal to the Board of Directors for consideration and submission to the meeting of shareholders for approval.
2. To consider the distribution of remuneration of Company Directors, Audit Committee members, Nominating Committee members and Remuneration Committee members, taking into consideration the functions, responsibilities and performance of such committees, within the limit approved by the meeting of shareholders, and making such proposals to the Board of Directors for approval.
3. To revise and amend the Charter of the Remuneration Committee and to submit such revisions or amendments to the Board of Directors for approval.
4. To carry out any other acts as assigned by the Board of Directors.

Responsibility

In performing the above duties, the Remuneration Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties

2.3 Nomination Committee

In 2022 the Board of Director meeting no. 2/2022 on May 9, 2022 considered and approved the appointment of Nomination committee, which had 4 members; one of them must be Independent director, as following names;

Names		Position	
1. Mr. Boonkiet	Chokwatana	Chairman of Nomination Committee	Non-Executive Director
2. Mrs.Somporn	Tiyaviboonsiri	Director	Non-Executive Director
3. Mrs.Chortip	Pramoj Na Ayudhya	Director	Independent Director
4. Mr.Viritpol	Chaitavornsathien	Director	Executive Director

Remark : Nomination Committee has its term for one year, which starts counting on May 9, 2022 onward.

Meeting : In 2022, the Nomination Committee convened 2 meetings. All 4 members of the committee attended all meetings.

Functions and Responsibility of Nomination Committee

1. To determine rules and procedures for the Nominating of Company Directors.
2. To consider the qualifications of the directors With approval from the Board of Directors. In the appointment of each director, the appointed directors must have qualifications in accordance with relevant laws and regulations. The appointed director should also have knowledge, ability and experience in business operations together with leadership and strategic thinking as well as having appropriate personal qualifications.
3. To consider the selection of persons having suitable qualifications for a Company Director for nomination to the meeting of the Board of Directors for approval. Where a directorial position has become vacant by reason of a resignation, the Company Board of Directors shall appoint a director to fill in the position. As for other cases, the Company Board of Directors must submit the candidate to the shareholders for consideration pursuant to the Company's articles.
4. To consider and review the structure and element of company director
5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval
6. To complete any assignment assigned from the Board of director.

Responsibility

In performing the above duties, The Nomination Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties

In 2022, the Nomination Committee convened 2 meetings. All 4 members of the committee attended all meetings to consider the nomination of replacements for directors who expire their term in the year 2022 and to nominate and appoint sub-committee and to present to company director and ordinary shareholder meeting for getting an approval respectively.

2.4. Risk Management Committee

In 2022, company director meeting no. 2/2022 on May 9, 2022 considered and approved the appointment of Risk Management committee which consists of 6 members; the chairman is Independent Director, as following names;

Names	Position	
1. General Konecharnart Chunnabhata	Chairman of Risk Management Committee	Independent Director
2. Mr. Chailert Manoonpol	Director	Non-Executive Director
3. Mr. Viritpol Chaithavornsathien	Director	Executive Director
4. Mrs.Sasivimol Kluyasritrakul	Director	Executive Director
5. Mrs.Suvimol Charoensrichai	Director	Executive Director
6. Ms. Salinla Chaiput	Director	Executive Director
Ms.Chapaon Srisuntisuk	Secretary to the Risk Management Committee	

Remark : Risk management committee has its term for one year which start counting on May 9, 2022.

Meeting : In 2022, the Risk Management Committee convened 4 meetings. All 6 members of the committee attended all meetings.

Function and responsibility of Risk Management Committee

1. To accept the risk management policy from company director for planning risk management for all level in the organization
2. To propose the appointment of risk management team to company director for acknowledgement
3. To follow, specific and evaluate the risk which presented by risk management team
4. To evaluate and consider risk management plan which presented by risk management team
5. To report the risk management to company director for getting agreement
6. To supervise the effective of risk management
7. To revise and amend the Charter of the Risk Management Committee and to submit such revisions or amendments to the Board of Directors for approval.
8. To complete any assignment related to risk management assigned from the Board.

Responsibility

In performing the above duties, The Risk Management Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.5 Corporate Governance Committee and Sustainable Development

In 2022, company director meeting no. 2/2022 on May 9, 2022 considered and approved the appointment of Corporate Governance committee, which consists of 4 members; the chairman is Independent Director, as following names;

In addition, the Board of Directors Meeting No. 5/2022 held on December 22, 2022 resolved to approve the amendment to the charter and appointed as the Corporate Governance and Sustainable Development Committee to cover 2 dimensions, both corporate governance and sustainable development, as follows:

Names		Position	
1. . Mr. Santi	Bangor	Chairman of Corporate Governance and Sustainable Development Committee	Independent Director
2. Mr. Viritpol	Chaithavornsathien	Member of the committee	Executive Director
3. Mrs.Sunan	Niyomnaitham	Member of the committee	Executive Director
4. Mrs.Suvimol	Charoensrichai	Member/Secretary	Company Secretary

Remark : Corporate Governance committee has its term for two years which start counting on May 9, 2022 onward.

Meeting : In 2022, the Corporate Governance Committee convened 2 meetings.

Function and responsibility of Corporate Governance and Sustainable Development Committee

1. To consider proposing and guidelines for policies, strategies, goals, guidelines and practices in good corporate governance, Anti-corruption business ethics Code of Conduct Being socially and environmentally responsible for sustainable operations in line with the company's business.
2. To Support and advise the Board of Directors and management on good corporate governance and sustainable development, encouraging directors, executives and employees of the company to understand and implement in the same direction. Developing and upgrading corporate governance and sustainable development standards to be in line with international standards.
3. To supervise, advise and review corporate governance and sustainable development operations to cover supervision of operations of Social, Community, and Environment (Corporate Social

Responsibility: CSR) by participating in various projects with relevant to both inside and outside the organization.

4. Giving consultation for executives, working group for rating preparation of Good Corporate Governance by agencies outside the organization to compliance with Anti-Corruption Policy in order to prepare for the renewal of membership in the Anti-Corruption Alliance.
5. To review and update the Corporate Governance and Sustainable Development Committee Charter as appropriate.
6. To perform any other tasks assigned by the Board of Directors.
7. In performing its duties and responsibilities, the Corporate Governance and Sustainable Development Committee has the power to authorize as below:-
 - (1) To organize the management or employees of the company attend the meeting to clarify opinions or relevant information as requested by the Corporate Governance and Sustainable Development Committee.
 - (2) To get advice from experts or proposed to the Board of Directors' meeting in hiring outside experts or consultants, depending on the case, regarded as the expense of the company
 - (3) To appoint a working group to work in support of good corporate governance and sustainable development as necessary and appropriate.

Responsibility

In performing the above duties, the Corporate Governance and Sustainable Development Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.6 Executive Committee

The executive committee functions as management team which set up for managing company business assigned by the board. The company director meeting no. 2/2022 on May 9, 2022 considered and approved the appointment of 8 members of Executive Committee.

In 2022, executive committee convened 12 meetings. The schedule of meeting was set yearly in advance.

Names		Position
1. Mr. Viritpol	Chaitavornsathien	Chairman of the Executive board
2. Mrs. Sunan	Niyomnaitham	Vice Chairman of the Executive board and Chief Financial Officer
3. Mrs.Sasivimol	Kluyasritrakul	Manager, Finance Department
4. Ms. Salinla	Chaiput	Manager, Accounting Department
5. Mrs.Kalayanee	Chantarapikul	Manager, Trading Fabric Department
6. Mrs.Nutchapunporn	Sunthornwiset	Manager, Domestic business Department
7. Mrs.Photchamarn	Engkanisarn	Manager, International business Department
8. Mrs.Suvimol	Charoensrichai	Manager, Human Resource Department/ Share Registrar Department/ Secretary to the Executive Board

หมายเหตุ : the board of executive directors has 1 year term counting from May 9, 2022.

All 8 members have no forbidden qualifications;

1. No record of committing criminal offenses against property, which was done in bad faith.
2. No record of a potential conflict of interest with the Company during the past year.

Functions and Responsibility of Executive Committee

1. To supervise operations in line with the Company's tasks and to comply with the Company's business policy in view of achieving the Company's business goals as well as the objectives of shareholders' resolutions.
2. Developing the organization and personnel in terms of knowledge and full competence and building organizational culture.
3. To sequence the importance of company director's decision and use it for getting effective management.
4. To consider the agenda before presenting to the company director.
5. Having a duty to report on plan progression and budget approved to the Board of Directors every quarter.
6. Arranging for a meeting with chief officers of each department every month on the quarterly basis to follow up and monitor operating results.
7. Arranging for the General Meeting with chief officers of each department in the fourth quarter of each year to jointly set business targets and the Company's plans for next year with aim at the continual and sustainable growth.
8. Considering financial policies, loan raising, investment, and lease/lease agreements within specified amount limit which is not more than 20 million baht.
9. To consider policies pertaining administration and organizational restructuring.
10. To consider business and marketing policies.
11. To consider personnel policies and approve the adjustment of employee salary scales and bonuses.
12. To consider the approval of juristic acts binding on the Company or other acts not performed in the usual course of business within the prescribed financial limit which is not more than 20 million baht.
13. To report on shareholding whenever Changing.
14. To promote the good conscience of executives and employees in their performance of duties in line with the Company's business policies, business ethics and employee code of conduct.
15. Others followed or assigned by the board of directors meeting's resolution.

Responsibility

In performing the above duties, The Remuneration Committee is directly accountable to the Board of Directors and the Board of Directors remains responsible for the Company's operations with respect to third parties.

2.7 Authority and Responsibility of Managing Director

The Board of Directors has recognized the Principle of Good Corporate Governance, and to be in compliance with Chapter 3/1 of the Securities and Exchange Act, B.E. 2535 as amended by the Securities and Exchange Act (No. 4), B.E. 2551, it deems expedient to establish the Charter of Managing Director as follows;

1. To manage the Company and administer the operations in compliance with policies, laws, objectives, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, resolutions of the Executive Committee, as well as relevant regulations and procedures.
2. To issue orders and carry out any act as necessary and appropriate in order to satisfactorily carry out the functions under article 1, and in the case of an important matter, a report shall be made and/or notice shall be given to the Board of Directors and/or the Executive Committee.
3. To command, allocate, appoint, relieve, transfer, promote, enforce disciplines, evaluate as well as to determine the company personnel's remuneration and welfare benefits of employees. All said power must not be inconsistent with the power of Executive Committee.
4. To issue regulations on the Company's operations, such regulations not being inconsistent with or contrary to the policies, articles of the Company, regulations orders and resolutions of the Board of Directors and/or Executive Committee.

5. To grant or approve the investment in permanent asset in the specific amount which is not more than 20 million baht.
6. To grant or approve selling or buying ordinary shares and/or others securities issued by other companies in the specific amount which is not more than 20 million baht.
7. To approve the juristic act of non-financial transaction in the specific amount which is not more than 20 million baht.
8. To report the operation under article 5,6,7 to the Executive Board for acknowledgement as appropriate at the next meeting.
9. To grant and/or delegate powers to other persons to perform specific tasks on behalf of the Managing Director.
10. The above powers of the Managing Director shall not be exercised in the event of the Managing Director's having a potential personal interest in or a conflict of interests of any character with the Company.
11. In the event that the above powers may not be thoroughly clarified or causing any doubt (uncertain) in exercising, the matter must be submitted for the Board of Directors' consideration.
12. To carry out any other acts as assigned by the Board of Directors and/or Executive Committee.

2.8 The nomination and appointment directors and Top-Level management

The nomination directors

The Nominating Committee has been assigned to select qualified persons having appropriate qualifications. For such nominating process of the persons to be appointed directors, the company has set the screening criteria for such candidates based upon their basic qualifications and qualities that can meet the requirements of the vacancy, in order to have The Board of Directors with knowledge and various field of expertise, including leadership, vision, integrity and ethics, as well as transparent work experiences and not be prohibited under the laws and regulations of the company. The board of directors had clearly determined functions and responsibility of directors as in manual of directors for listed company as following;

1. Be legal (Fiduciary Duties)
2. Be carefully (Duty of Care)
3. Be honesty (Duty of Loyalty)
4. Be responsibility to duties (accountable)

The Company has formulated the structure of the Board of Directors. As a result, the proportion of the Executive Directors, Non-Executive Directors, and Independent Directors was more appropriated in monitoring the good corporate governance rigorously, though having the Independent Directors less than 50%.

Director and Independent Director Selection Process

Nomination Committee nominates and screen independent director who have qualification follow the standard of the Stock Exchange of Thailand and Securities and Exchange Commission to propose to the board of directors and shareholders' meeting.

Determination of Independent Directors' Qualifications

According to Notification of Capital Market Supervisory Board Tor Chor 4/2009 title Application for and Approval of Offer for Sale of Newly Issued Shares which was announced on February 20, 2009 and effective on March 1, 2009. The definition of independent director were changed, therefore the qualification of independent director should be conformed to the said notification. People's Garment Public Company Limited has defined the qualification of independent director which is **more intensive than** the minimum principal of the Securities and Exchange Commission and the Stock Exchange of Thailand by determination to hold the share not more

than 0.5 Percent (which the Securities and Exchange Commission determine 1.0 Percent) and the independent directors are independent and have the following qualifications: which the details are following;

- (1) Holding not more than 0.5 percent of total voting shares of company or its parent company, its subsidiaries, its associated companies, including stocks held by connected persons of the independent
- (2) Not being or never been board member who participated in management of its parent company or an executive director, employee, staff, advisor who receives salary of a controlling person of company, its parent company, its subsidiaries, its associated companies, same- level subsidiaries or a juristic person who may have conflicts of interest unless the foregoing status has ended for more than 2 years, excluding independent director who ever be government official or advisor for government service which is major shareholder or controlling person of company.
- (3) Not being a person related by consanguinity or legal registration, such as father, mother, spouse, sibling and child, including spouse of the children, management, major shareholders, controlling persons, or persons to be nominated as management or controlling person of company or its subsidiaries.
- (4) Not having or never had a business relationship with company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest, in the manner that may interfere with his independent judgment, or is not or has not ever been a major shareholder, non-independent director or management of any person having business relationship with company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest unless the foregoing relationship has ended for more than 2 years.

The term “ business relationship” aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the applicant or his counterparty being subject to indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the applicant or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies concerning the Connected Transactions *mutatis mutandis*. The combination of such indebtedness shall include indebtedness taking place during the course of a year prior to the date on which the business relationship with the person commences;

- (5) Not being or never been an auditor of company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest and is not a major shareholder, non-independent director, management or partner of an audit firm which employs auditors of company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest unless the foregoing relationship has ended for more than 2 years.
- (6) Not being or never been any professional advisor including legal or financial advisor who receives an annual service fee exceeding 2 million Baht from company, its parent company, its subsidiaries, its associated companies or a juristic person who may have conflicts of interest, and is not a major shareholder, non-independent director, management or partner of the professional advisor unless the foregoing relationship has ended for more than 2 years.
- (7) Not being a representative of company director or its major shareholder or a shareholder who is related to company’s major shareholder.
- (8) Not being a director in other organization that compete with or related to company, its subsidiaries, or not being a partnership of organization that compete with or related to company, and not being

an executive director, employee, staff, advisor who receives salary, and not holding share more than 1 percent of total voting shares of organization that compete with or related to company.

(9) Not having characteristics which lead to incapable of expressing independent opinions regarding company's business.

After appointed to be independent director who qualifies as stated above (1) to (9), such independent director may be assigned by the Board of Director for taking part in the business decision of company, its parent company, its subsidiaries, its associated companies, same level subsidiaries, major shareholder or controlling person on the condition that such decision must be a collective decision.

The nomination and appointment for Top-Level management

The nomination for Top-Level management (The executive director)

The nomination process for chief executives will be considered by nomination committee. The nomination committee selects current executives or others who have knowledge, capability, and qualification in conformity with business nature of company also have the ability to manage company tasks to achieve objective and goal determined by the board of directors. Moreover, candidates who have no forbidden qualifications by laws, will be proposed to the board of director for appointment.

The nomination for executives (Secondary executives)

The nomination process for executives is considered from the selection of the persons who have good qualifications and sound morality and ethics to join the company. The company provides the opportunities to be executives by training and developing employees through the evaluation process of employees' potentials and capabilities. Such employees who pass the evaluation shall be assigned to challenging tasks and have higher responsibility scope. The company alerts to develop all employees to replace the position in case of vacancy.

3. Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has been elected by the shareholders as their representatives in implementing company's policies. They collaborated with the Executives in formulating vision, missions, strategies, operational plan, annual budget, good governance, and supervision in order for the executives and employees to aim in the same direction including supervising and monitoring the operation performance.

In 2022, the Board of Directors has legally operated the company in compliance with the laws and regulation. Therefore, there is no infringement on the official regulations found.

3.1 Leadership and Vision

Leadership

The Board of Directors is comprised of persons with knowledge, competence, skills and experience in the Company's principal business. The vision, mission, strategies and goals as well as working plans and annual budget are determined in order to enhance operational efficiency for the greatest benefits of the business and achievement of the Company's business goals. In this regard, the Board of Directors undertakes the duties of monitoring the management of the executive according to the various working plans, as well as the determination and delineation of roles, functions and responsibilities between the Board of Directors, executive officers, employees and relevant persons.

In addition, the Audit Committee has been entrusted with the function of supervising the operations of the internal audit section so as to ensure sufficiency for the business and to ensure suitable risk management in order to achieve the highest safeguard of interests. The principles of good corporate governance are applied as management tools for adding value to the business and the shareholders.

Vision

The board of directors realizes the importance of business operation. In this regard, the company determines **vision and missions** for directors, executives, and employees to have one goal in business operation. Besides, company's vision and mission will be reviewed on yearly basis.

In 2022, the company defined its vision in conformity with social responsibility and environment.

3.2 Good Corporate Governance

The Board of Directors appreciates the importance of good corporate governance. In consequence thereof, the Board of Directors has laid down a policy on corporate governance in writing, consisting of 5 parties, **i.e. corporate governance policies, corporate governance principles, business ethics, employees' code of conduct and Anti-Corruption policy**. The corporate governance policies are reviewed annually and disseminated via company's website. Such policies were handed to the Board of Directors, executive officers and all employees of the Company, in order to be a guideline for all employees to responsibly their duty with good conscious, to promote the implementation of good corporate governance systems in the organization, thus achieving transparency in business operations. (Full version of corporate governance policies, business ethics, code of conduct for company directors, executive officers and employees are published via company's website).

The company encourages directors, executives and employees to acknowledge and follow the Good Corporate Governance policy, Good Governance principles, Code of Conduct and Ethics of Board of Directors, executives, and employees. The Board of Directors will follow these stipulations to be a good model for employees to follow. Moreover, members of the Board of Directors and new staff will receive this policy manual at an orientation, and they will sign a commitment to follow the policy stipulation in their operation in order to express the commitment in adhering to the essence in the manual as a guideline for operation.

The company has the Audit Committee, the Corporate Governance and Sustainable Development Committee, and the Internal Audit Unit, to ensure compliance with the good governance policy. A follow-up has been scheduled in a year plan of the company. On a quarterly basis. The internal audit will reports to the Audit Committee for acknowledgment of the inspection results, together with suggestions and guidelines for correcting and preventing fault on a quarterly basis.

3.3 Conflict of Interests

The Board of Directors has clear guidelines for managing the avoidance of conflict of interests prudently and reasonably, and in order to confer the greatest benefits for the Company and the shareholders. Transactions which might entail conflicts of interests have been notified by the Company and the resolutions disclosed specifying the value of the transaction, the contractual party and reasons of necessity for entering into such a transaction in accordance with the rules of the Stock Exchange of Thailand. The interested Directors have left the meeting room and did not vote on such agenda so as to ensure independence in decisions and information were disclosed immediately in the interest of transparency.

Connected transactions would be considered by the Board of Directors meeting on the suitability of the transaction and the Audit Committee would give its approval for the disclosure of information in Form 56-1 and the Annual Report.

In 2022, the Board of Directors has approved 2 connected transactions and 1 asset disposal transaction which has complied with the established rules, including transactions not exceeding the approved limit (Details appear in the section "Related Items (Connected transactions)")

3.4 Promotion of Social Responsibility, Environment, and Human Rights

The Company realized on the importance of social responsibility and environment in parallel with the business operation. Therefore, the Company focuses on fostering quality of life in surrounding communities,

human rights awareness, and fair employment in the sustainable ways. (details are shown in “Article 3 Roles of stakeholders” in annual report).

3.5 Internal Control and Audit Internal Control

Internal Control

The Board of Directors attaches importance to and has installed a control system that cover all aspects for operations, financial reporting and compliance with rules, regulations and policies. This is to ensure the operations of the company to meet the goals, regulations, relevant regulations including establishing an inspection mechanism and sufficiently balanced in protecting and maintaining company assets. The internal audit units were entrusted with the duties to inspect the operations of all departments to be correct, concise, prevent corruption and according to regulations to be compliance with the installed internal control systems for subsequent reporting to the Audit Committee and the Board of Directors. Such audit units are independent in the exercise of their functions. The Board of Directors would conduct an annual review of the suitability and sufficiency of internal control systems in all 5 areas, i.e. organization and the environment, risk management, control of executive operations, information and communication system, and monitoring systems.

At the Board of Directors’ meeting No. 1/2023 on February 23, 2023, the Audit Committee also attended the meeting to consider the Company’s internal control system sufficiency assessment form for the year 2022, it was concluded that The Company has an adequate and effective internal control system. According to the report of the Audit Committee and internal control which is shown in Annual Information Report Form (Form 56-1 One Report) titled “Internal Controls”

The Internal Audit

The Board of Directors has assigned the Audit Committee to inspect the sufficiency, appropriateness, and effectiveness of the internal control system. The results of the internal audit should be reported to the Board of Directors and shareholders. Moreover, **the Internal Audit Unit**, separated as one unit of the company, should reports directly to the Audit Committee, which has assigned

Mrs. Warassaya Boonchujaras, [the Secretary of the Audit Committee, was appointed as the Manager of the Internal Audit Unit.](#)

Profile in brief

Education : Bachelor in General Management, Bansomdejchaopraya Rajabhat University

Work Experience : 2021 – Present Unit Chief of Internal Audit Unit

2014 – 2021 Internal Audit officer

1994 – 2013 Accounting Dept. officer

Responsibility : the review and assessment of sufficiency and effectiveness of the internal audit using standard auditing measures in proposing improvement for the added value of the organization, and simultaneously supporting the good corporate governance.

In 2022, the Audit Committee has effectively performed their responsibilities as assigned. Has an internal audit unit as a tool to help support the mission to be completely accomplished. The evaluation of internal control system revealed that there were some issues to be improved as well as recommendations for corporate operation, which were presented to the Board of Directors in the [quarterly meeting](#).

The Internal Audit Unit will report a follow-up and cross-check result of the internal management to the Audit Committee every quarter. In 2022, the Audit Committee had arranged 5 meetings and reported to the Board of Directors [every quarter](#). The Audit Committee has reported their views on the adequacy of the company’s internal audit and risk management system in the Annual Report (Form 56-1, One Report)” attachment No.6 “Corporate Governance Report of the Audit Committee”

3.6 Risk Management

The risk management is a policy implemented systematically in the organization under the supervision of the Risk Management Committee comprising the Independent Directors, Managing Directors, and Executive Directors.

In this regard, the Top-Level executives of each department have been appointed as a commission responsible for the risk management according to the policy and assigned duties. The report on risk management is presented to the Audit Committee, the Board of Directors and the Executive Board. The Board of Directors permits the Non-Executive Directors to conduct their meeting without attendance of the management unit. If necessary, they can propose statement of necessity to the Board of Directors to be considered. Whenever there is a significant risk or an irregular transaction. These proceedings are taken to ensure that the level and magnitude of damages that could occur are maintained within acceptable, assessable and controllable levels for the organization that can be systematically inspected with due consideration to the Organization's goals.

In 2022, the Risk Management Committee arranged totals 4 meetings and report to the Audit Committee, Executives Committee, and Board of Directors in every quarter. Such report regards opinion and consideration which approved from all committee and benefit to company operation. The company has disclosed the guidelines for managing risks in the topic "Risk factors" and "the Risk Management Committee report" of this annual report.

4. Board of Directors Meetings

4.1 The Board of Directors had determined that meetings shall be held at least once in every quarter. A schedule of Board of Directors meetings is prepared one year in advance wherein the agenda are clearly stated. The Company Secretary would submit such schedule in the December of each year.

4.2 The submission of documents at least 7 days prior to the meeting date so as to give the Board of Directors sufficient time to consider and examine the data prior to attending the meeting.

Except in the event of urgency for the protection of the Company's interests where notice may be given less than 7 days. Each meeting would last approximately 2 hours.

4.3 Directors are able to express opinions openly and independently. The Chairman of the Board of Directors would compile the opinions and conclusions obtained from the meeting. The resolution shall be done by major vote. Each member has one vote. Interested Directors in each agenda would abstain from voting or abstain from giving an opinion or be absent from the meeting. If the votes are equal, Chairman of the meeting shall cast one vote to be decisive.

For passing the resolutions on each agenda, it must contain two-thirds of company directors.

4.4 The board of directors pays more attention on management of conflict of interests of all stakeholders by entirely disclosing information. A director who has conflict of interests must not participate in such agenda.

4.5 In a meeting of the Board of Directors, if there is a query or a need to obtain additional information from relevant persons, the Managing Director would invite a high level executive officer to give an explanation. In case of information required, company directors can contact company secretary.

4.6 The Board of Directors allows non-executive directors to held meetings amongst themselves in the absence of the management in necessity and present to the board for acknowledgement.

After the meeting, The Company Secretary would record the meeting and archive the minutes of past meetings that had been endorsed by the meeting and verified by signatures of the Chairman of the Board of Directors. In additional, company directors can express opinion or amend on the minutes of the meeting.

Minutes of Board of Directors meetings and committee meetings are made in writing. Such

documents are archived in original document format at the Company Head Office for convenience of reference.

In 2022 , the meeting held as following;

- The Board of Director held 5 meetings with all directors attended not less than 80 percent of the meeting time, during the chairman's meeting, sufficient time was allocated to discuss important issues. It also encourages all directors to express their opinions constructively and independently. careful discretion is exercised. (details are provided in Management Structure topic)
- The Audit Committee and internal audit held a meeting with company auditor at least once in a quarter. The representatives from management team also attend the meeting.
- Audit Committee had the meeting with management team independently by brain storming and opinions expressing. Such minutes was reported to the board of directors.
- The Corporate Governance Committee agreed and proposed to the Board of Directors and support the non-executive directors to freely convene meetings

In addition, the company has a policy to encourage non-executive directors to hold meeting amongst themselves as appropriate at least once a year. The meeting is held without the management or executives attending the meeting in order to provide opportunities for non-executive directors to debate or discuss with various issues related to business operations Or any other matter as appropriate.

In the year 2022, Non-Executive Directors held a meeting without management and executives attended in the meeting for 1time on 22nd . December 2022 for the 4th consecutive year.

5. Remuneration of the Directors and Executive Officers

The Remunerations Committee would determine the appropriate remunerations limit after taking into account the experience, duties, scope of roles and functions, participation and responsibilities of each Director for proposal to the Board of Directors and to the meeting of shareholders for approval of such remunerations limit.

The remuneration of the CEO / Managing director is in accordance with the criteria and policy set by the Remuneration Committee. The Remuneration Committee considers the remuneration of the Chairman of the Executive board / Managing Director, including salary, bonus and annual remuneration.

In 2022, the Managing Director has received monthly salary/ remuneration /bonus and annual remuneration for the year 2022 amounted 2,075,000 Baht.

Remuneration for executives is in accordance with the principles and policies set by the Remuneration Committee based on each performance, duties and responsibilities.

(The criteria and policy of remuneration to each Director and Executive are disclosed in “The ManagementStructure topic “Remuneration for directors and executives”).

6. Succession Plan

The company has succession plan for all positions in management level. The process starts from nominate appropriate persons with transparency manner, then develop and train such person continuously, and assess their performance. In this regard, company aims to build executives officer who have knowledge, capability, and be leader and specialist together with honesty. The company believes that its operation will run continuously and effectively.

The Board of directors prepare personnel to be successor to replace the senior management positions and the highest management level of all departments, the succession plan is as follows:-

6.1 The criteria for Top-Level management (Executive directors) are as following;

1. Provide the explanation of chief executive officers regarding goal and company's strategies and specific required qualifications.
2. Select secondary executive officers who have vision, knowledge, and capability.
3. Analyze qualification of each executive officer for seeking strong points and thing that need to be Improved.
4. Make development plan for each executive officer for promoting their potential and capability.

The Company has conducted monthly meeting moderating by Executive board, Top-Level management, and Secondary executive (being successor) including Chairman of the company (who is the Chairman of the Nomination Committee) as a part to support the succession plan.

In this regard, the Nomination Committee and the Executives board continuously follow and evaluate the operation of person who would be assigned to be next Executive, for give approved and after that, present to the Board of Directors for next approving .

6.2 The highest management position of the department are as following position:

1. To develop the visions, knowledge and skills of the potential Executives and to promote them as Chief executives respectively.
2. To provide more academic knowledge and hands-on trainings.
3. To allow the secondary executives to collaborate and attend the meeting with Top-Level management.
4. To select the secondary executives of high potential to succeed and place in the appropriate positions.
5. To prepare personnel with specific capabilities to have more comprehensive management capabilities.
6. To provide middle management to have more opportunity to manage their duties at the level of work.
7. To conduct systematic trainings in every department
8. To train the Top-Level management and middle management to work with responsibilities and honesty focusing on the corporate image to become an executive sequentially.

Apart from this, the company provide the meeting among the Managing Director, Chief Executives, and nominated Executives (acting successor) which has been conducted every month. In addition, The Annual Meeting also has been conducted to stipulate the missions for the next year in order to reinforce collaboration and raise awareness of organizational management as a part in succession plan.

7. The operation of anti-corruption

The company advocates for anti-corruption and anti-fraud practices, as well as raises awareness, value, good attitude and honesty to directors, executives, and employees. A part of anti-corruption management plan is risk evaluation on working process in every department. In this regards, the internal audit department acts as an assessor.

In 2022, Risk management committee had quarterly report on anti-corruption, which there was no abnormal found.

The company has communication channel for advertising on anti-corruption policy as following'

- Orientation new employees/Manual of good corporate governance policy
- Company's website, intranet and billboard/Publish Animation VDO

Besides, In 2022, the company organized online training seminars by external speakers to directors, executives, employees and partners to review and expand the results to both existing and new partners of the company. This is to expands anti-corruption policy to business partners in order to run business with transparency and fairness.

8. A Survey of Corporate Governance Practices among Listed Company

In 2022, Thai Institute of Director associated (IOD) with Securities and Exchange Commission Thailand and Stock Exchange of Thailand in a survey of corporate governance practices among listed company in 2022, the total listed is 750 companies, by evaluation from Annual Report 2021 and information disclosure in 2022. The survey result for the Company was “ **Excellent** ”

Score	Meaning
90-100	Excellent
80-89	Very good
70-79	Good

Number of Evaluating Criteria;

Categories	Evaluation criteria (clause)		Weight (%)	
	2022	2021	2022	2021
1. Rights of Shareholders	32	32	15	15
2. Shareholder's Equality	19	19	10	10
3. Rights of Stakeholders	29	29	20	20
4. Transparency and Disclosure of Information	53	53	20	20
5. Responsibility of the Board	108	108	35	35
Total	241	241	100	100

Details of Corporate Governance Evaluation

Categories	2022 (%)	2021 (%)	2020 (%)
1. Rights of Shareholders	92	92	92
2. Shareholder's Equality	99	99	99
3. Rights of Stakeholders	94	94	94
4. Transparency and Disclosure of Information	94	94	96
5. Responsibility of the Board	84	83	82
Score Average	90	90	90

6.2 Business ethics

The company operates under business ethics by adhering to responsibility and taking into account all groups of stakeholders with integrity, transparency and accountability, The Board of Directors has established a good corporate governance policy in written documents as guideline for operation

In the past, the Company aims to create knowledge and understanding of good corporate governance principles and create awareness of applying good corporate governance principles in their operations for directors, executives and employees of the company to use it as a framework and guideline. However, the company communicates “Good Corporate Governance Principles, Corporate Governance Policy, 8 Principles of Good Corporate Governance, Business Ethics, Code of Conduct for Company Directors, Executives and employees” as well as complaint channels. on the company website.



Be able to study additional information “Principles of Good Corporate Governance” on the Company’s website www.pg.co.th under the topic “Good Corporate Governance”

6.3 Major changes and developments in policies, practices and corporate governance in the past year Applying Good Corporate Governance Principles for Listed Companies 2017

The Board of Directors acknowledges the principles of good corporate governance for listed companies CG Code 2017 and realizes the role of the leader in creating sustainable business value. Regarding the Board of Directors Meeting No. 6/2017 held on December 27, 2017, the CG Code was considered in order to apply the principles for proper practice. Both are beneficial to create sustainable value for the organization. It is deemed that it is a useful practice for the Board of Directors as the leader or the highest responsible person of the organization to apply it to the context of the organization. The Board of Directors has approved the revision of the Good Corporate Governance Manual according to the principles of good corporate governance For listed companies in the year 2017 of the Securities and Exchange Commission (CG CODE), which consists of 8 principles as follows:

- Practice no.1 Awareness of the Board’s Responsibility as an Organization leader who creating sustainability to organization
- Practice no.2 Defining objectives and business goals of possible entity for sustainability
- Practice no.3 Encouraging the Board to achieve its duties effectively
- Practice no.4 Nominating and developing Executives level and Human Resource Management
- Practice no.5 Promoting its innovation and Operating business with responsibility
- Practice no.6 Arranging the internal control system and risk management
- Practice no.7 Keeping credibility and disclosing significant information
- Practice no.8 Supporting the participation and communication with shareholders

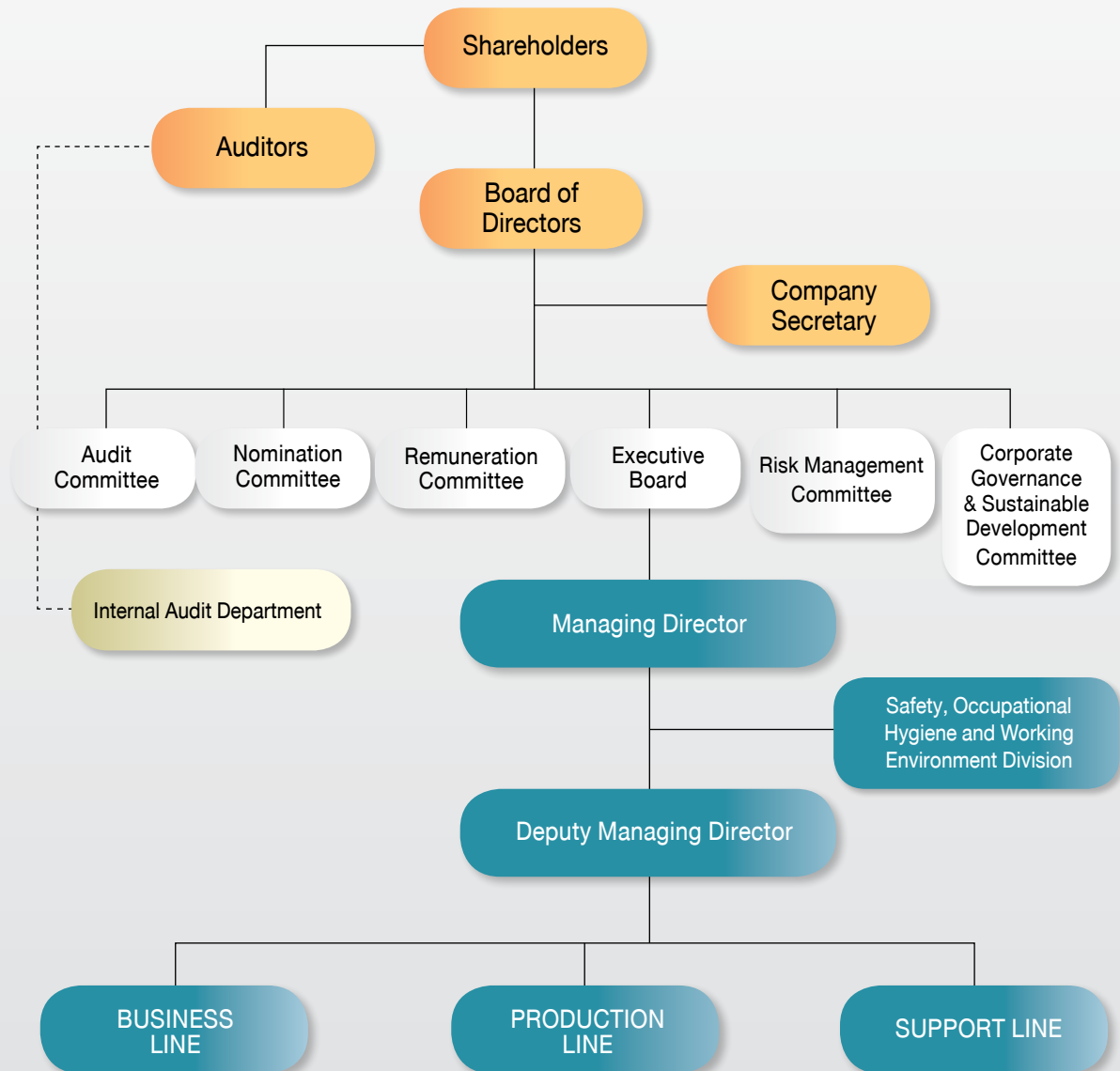
However, for the practices that are not suitable for the Company’s business operations, The Corporate Governance Committee is presented and reviewed annually in the Board of Directors’ Meeting No. 5/2021, the Board of Directors reviewed the management’s best practices and employees involved according to the principles of good corporate governance in order to be appropriate for the situation and the business environment that may change.

In 2022, the Corporate Governance Committee introduced IOD's recommendations to the Board of Directors to develop the corporate governance of the listed company (CGR project). The Company has implemented the recommendations of the IOD by considering the appropriateness except some principle that company has differently chosen to use as following explanation ;

Principles	Company Statements
Chairman of the Board of Directors should be Independent Director	The Board of directors ensured that Chairman has strictly performed his duties with understanding of good corporate governance principles. Therefore, a non-executive director is appointed to act as the Chairman of the Company who expertise in company's business. Although, the chairman is not an independent director but performed the duties independently. All directors are given the opportunity to freely express their opinions and present useful recommendations to the organization.
The Board of Directors should specify the number of listed companies that each director can hold which is not more than 5 companies	The Company does not limit the number of companies for each director held the position in such company because the Nomination Committee will consider appointing a person to be the Company's director by considering on his knowledge, ability and sufficient time to perform duties for the company. <u>In 2021-2022, the Company does not have any director holding directorship in more than 5 listed companies.</u>
The Remuneration Committee should mostly consist of Independent Directors (More than 50%)	The Remuneration Committee consists of Independent Directors, Non-Executive Directors, and Executive Directors counting as 25%, 50% and 25% consecutively. The Board of Directors agree that all members of the remuneration committee feel free to express their opinion perform their duties with transparent and fairness. The composition of these committees is therefore appropriate.
The Nomination Committee should entirely and/or mostly consist of Independent Directors (More than 50%)	The Nomination Committee consists of Independent Directors and Non-Executive Directors counting as 25%, 50% and 25% consecutively. The Board of Directors agree that all members of the remuneration committee fell free to express their opinion perform their duties with transparent and fairness. The composition of these committees is therefore appropriate.
The Board of Directors should set Independent Directors term not more than 9 years.	transparent, and adhere to the management under good corporate governance. The Board of Directors does not set a policy to limit the number of years in the position of independent directors, since the independent directors of the company able to perform their duties independently. They have no personal interests that may conflict with the interests of the company and they can make decisions based on the best interests of the company As well as being independent from the Company's management and major shareholders.

7 Corporate Governance Structure and Important Information about the Board of Directors, Sub-committees, executives, employees and others

7.1 Management Structure



7.2 Information about the board of director

The Board of Directors consists of persons who are recognized knowledge and abilities. They play a key role in setting objectives, goals, business Policy, The Company's risk management, and important policies and plans are reviewed annually. Moreover, the board of director play an important role in the allocation of key resources according to goals as well as supervise and evaluate the Company's performance to achieve its goals.

Composition of the Board of Directors

There are 13 members of the Board of Directors whose names are shown in the Affidavit issued by the Ministry of Commerce as follows.

- Non-Executive Directors, consisting of * 11 members, equivalent to 84.62
- Executive Directors, consisting of 2 members, equivalent to 15.39

* The company director 5 persons which are non-Executive directors are independent directors, (Representing 38.46% of the Board of Directors) and there are 2 female independent directors. All 5 independent directors are qualified according to the qualification of independent director of the Company which is more strictly than the rules of the Capital Market Supervisory Board

Information of the Board of Directors and Persons with Controlling Authority

Name	Board of Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Governance & Sustainable Development Committee	Boards of Executive Directors
1. Mr.Boonkiet Chokwatana	Chairman	-	Chairman	Chairman	-	-	-
2. Mr. Chailert Manoonpol	Vice President	-	-	-	Director	-	-
3. Mr. Viritpol Chaithavornsathien	Director	-	Director	-	Director	Director	Chairman of the executive board
4. Mrs. Sunan Niyomnaitham	Director	-	-	Director	-	Director	Vice chairman of the executive board
5. Mrs. Somporn Tiyaviboonsiri	Director	-	Director	-	-	-	-
6. Mrs. Teerada Ambhanwong	Director	-	-	-	-	-	-
7. Mrs. Kityaporn Chaithavorsathien	Director	-	-	-	-	-	-
8. Mr. Piranart Chokwatana	Director	-	-	-	-	-	-
9. Mr. Khachornsakdi Vanaratseath	Independent Director	Chairman	-	-	-	-	-
10. Gen.Konecharnart Chunnabhata	Independent Director	-	-	-	Director	-	-
11. Mr.Santi Bangor	Independent Director	Director	-	-	-	Director	-
12. Mrs. Nuchanart Thammanomai	Independent Director	Director	-	-	-	-	-
13. Mrs.Chortip Pramroj Na Ayudhya	Independent Director	-	Director	Director	-	-	-
Mrs. Suvimol Charoensrichai	Company Secretary	-	-	-	-	-	-

Remark:

1. the qualifications of independent director and audit committee are in compliance with relevant regulations.
2. Authorized Directors are two out of eight directors (Directors No. 1 – 8) jointly sign and affix the Company's seal.
3. Please see the profile in Attachment 1, Details of Company Directors, Executives, Controlling Authorized Persons and company secretary

The Board of Directors has determined a policy for diversity in the structure of the Board of Directors (Board Diversity) in terms of educational qualifications, professional skills, and specific expertise that are beneficial to the Company's business and consistent with business strategies without gender, age and race discrimination, which is shown from the structure of the Board of Directors with qualifications, knowledge, expertise and diverse experiences. Both consisted of male and female directors together with the ratio of the number of independent directors and the ratio of non-executive directors to all directors in detail 6.1 Overview of policies and guidelines for corporate governance, Section 5 Responsibilities of the Board of Directors.

Function and Responsibility of the Board of Directors

The details of which were disclosed in Corporate Governance 6.1 Overview of Corporate Governance Policies and Practices, Section 5 - Responsibility of Company Directors.

7.3 sub-committees

Structure and composition of sub-committees

Regarding company management structure, there is a clear, balanced and verifiable management structure; moreover, there is a power of attorney between the directors of the company, sub-committees and clear management. It is consisting of Board of Directors and 5 sub-committees to help screen important tasks, such as the Audit Committee, Remuneration Committee, Nomination committee, Risk Management Committee, and Corporate Governance & Sustainable Development Committee, and the Executive Committee. That is the management of the company's business, which the powers and duties of the various committees are defined and Managing Director. It is written in the charter and in the powers and responsibilities of the Managing Director which was approved by the Board of Directors meeting. There is a company secretary to perform duties as required by law and as assigned by the Board of Directors.

The Board of Directors has clearly defined the scope of authority and responsibilities of each committee in the various committee charters. The chairman of every sub-committee is responsible for overseeing the operation in accordance with the policy and reporting the performance to the Board of Directors' meeting for acknowledgment.

Details of the composition of various committees that shows the scope of authority, duties, roles and responsibilities of each sub-committee are **disclosed in Chapter 6.1:- Overview of policies and guidelines for corporate governance, Section 5 Responsibilities of the Board of Directors.**



More detail of authority tenure are available in the charter of the Board of Directors and sub-committeea at www.pg.co.th

7.4 Information of the management

Board of Directors are responsible for the status of a management established to manage the company's business as assigned by the Board of Directors with responsibility, prudence, honesty as practice guideline to operates the business which should be done under the same circumstances with uninfluenced bargaining power. The Board of Directors Meeting No. 2/2022, held on May 9, 2022, resolved to approve the appointment of the Executive Committee of 8 persons.

In 2022, the Executive Committee held 12 meetings which the date and time of the Executive meeting were scheduled in advance throughout the year.

Name List		Position
1. Mr. Viritpol	Chaithavornsathien	Chairman of the Executive Board
2. Mrs. Sunan	Niyomnaitham	Vice Chairman of the Executive Board and Chief Financial Officer
3. Mrs. Sasivimol	Kluyasritrakul	Manager, Financial Department
4. Ms. Salinla	Chaiput	Manager, Accounting Department
5. Mrs. Nuchapunporn Sunthornwiset		Manager, Domestic business Department
6. Mrs. Kalayanee	Chantarapikul	Manager, Purchasing Department
7. Mrs. Photchamarn	Engkanisarn	Manager, International business Department
8. Mrs. Suvimol	Charoensrichai	Manager, Human Resource Department/ Share registration / Secretary to The executive board

Director profile details Disclosed in “Attachment 1 Details of Directors, Executives, and Authorized Persons with Controlling Authority and Company Secretary”.

Remarks : No. 1-8 is executives according to the definition of the SEC.

Board of Directors holds office for a term of 1 year, starting from May 9, 2022 onwards.

The 8 members of the Executive Committee do not have any prohibited qualifications as follows:

1. There is no criminal record in any offense related to property committed dishonestly.
2. There is no history of transactions that may cause conflicts of interest with the Company in the past year.

Shareholding of the Board of Directors and Executives

Report on the change of securities holdings of directors and the Company's executives as of December 31

Name		Number of common shares (shares)						Increase (Decrease)
		2022				2021		
		Director/ Executive	Spouse / underage child	Total	Percentage (%)	Director/ Executive	Spouse / underage child	
1. Mr. Boonkiet	Chokwatana	2,700,000	90,000	2,790,000	2.91	3,386,133	90,000	(686,133)
2. Mr. Chailert	Manoonpol	280,000	42,500	322,500	0.34	280,000	42,500	
3. Mr. Viritpol	Chaithavornsathien	300,000	-	300,000	0.31	-	-	300,000
4. Mrs. Sunan	Niyomnaitham	150,000	40,000	190,000	0.20	150,000	40,000	-
5. Mrs. Somporn	Tiyaviboonsiri	795,000	60,300	855,300	0.89	795,000	60,300	-
6. Mrs. Teerada	Ambhanwong	224,550	-	224,550	0.23	224,550	-	-
7. Mr. Khachornsakdi	Vanaratseath	-	-	-	-	-	-	-
8. Mrs. Nuchanart	Thammanomai	-	-	-	-	-	-	-
9. Mrs. Chortip	Pramoj Na Ayudhya	10,000	-	10,000	0.01	10,000	-	-
10. Gen. Konecharnart	Chunnabhata	-	-	-	-	-	-	-
11. Mr. Santi	Bangor	54,100	-	54,100	0.06	30,600	-	23,500
12. Mrs. Kityaporn	Chaithavornsathien	626,133	-	626,133	0.65	240,000	-	386,133
13. Mr. Piranart	Chokwatana	1,444,300	-	1,444,300	1.50	-	-	1,444,300
14. Mrs. Sasivimol	Kluysritrakul	33,000	-	33,000	0.03	33,000	-	-
15. Mrs. Suvimol	Charoensrichai	21,767	52,000	73,767	0.08	21,767	52,000	-
16. Mrs. Kalayanee	Chantarapikul	11,000	-	11,000	0.01	11,000	-	-
17. Mrs. Nutchapunporn	Sunthornwiset	5,000	9,000	14,000	0.01	5,000	9,000	-
18. Mrs. Photchamarn	Engkanisarn	21,000	42,000	63,000	0.07	21,000	42,000	-
19. Ms. Salinla	Chaiput	2,333	-	2,333	0.0024	2,333	-	-
Total		6,678,183	335,800	7,013,983	7.3024	5,210,383	335,800	1,467,800

Policies and guidelines for the remuneration of director and executive

Policies and guideline for company directors' remuneration

The Board of Directors has appointed the Remuneration Committee to determine the remuneration of Company Directors, taking into consideration other companies in the same industry, the growth and performance of the Company and the remuneration limit approved by the meeting of shareholders and remunerations paid in the preceding year, in order to make a proposal to the Board of Directors for consideration and submission to the meeting of shareholders for approval.

Policies and guidelines for the executive directors' remuneration

The Remuneration Committee considered the remuneration of Managing Director and Deputy Managing Director. The compensation is determined appropriately in accordance with the Company's remuneration structure, by considering other companies in same business, company operation, and performance and in consistent with the assigned duties and responsibilities.

Chairman of the executive board considers the appropriateness of compensation and annual wage of The Chairman of the executive board, Vice chairman of the executive board, and executives which such remuneration is appropriately determined according to the Company's remuneration structure by considering other companies in the same business group and the performance of the company including considering the performance and in accordance with the duties and responsibilities assigned as well.

The Ordinary Shareholders Meeting has approved the amount of remuneration of total amount not exceeding 6 million baht per year, which the consideration of such remuneration criteria must be considered by Remuneration Committee and must be approved by the Board of Directors and the amount of not exceeding the approval of the ordinary Shareholders meeting.

1. Monetary Remuneration

1.1 Remuneration for Company Directors

- Annual Remuneration of Company director (All Company Directors)
- Meeting Allowance (Attendance only)
- The remuneration of sub-committee which organized by the Board of Directors is under Board of Directors' discretion by considering appropriateness of functions, duties, and responsibilities.

The details of meeting allowance payment (attendance only) as following;

		2022 (Baht/Time)	2021 (Baht/Time)
The Board of Directors	- President	12,000	12,000
	- Director	9,000	9,000
Committee	- Chairman	12,000	12,000
	- Director	9,000	9,000
• Remuneration Committee			
• Nomination Committee	- Chairman	10,000	10,000
• Risk Management Committee	- Director	8,000	8,000
• Corporate Governance & Sustainable Development Committee			

The details of remuneration paid to Company Directors (individual) for the year 2022 as following;

Name	Position	Meeting Allowance (Baht)						Yearly Remuneration	Total
		Company Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Governance Committee & Sustainable Development		
1. Mr. Boonkiat Chokwatana	President / Chairman of Remuneration Committee / Chairman of Nomination Committee	-	-	-	-	-	-	200,000	200,000
2. Mr. Chailert Manoonpol	Vice President / Risk Management Committee	-	-	-	-	-	-	200,000	200,000
3.Mr. Viritpol Chaithavornsathien	Chairman of Executive Board / Risk management Committee / Corporate Governance & Sustainable Development Committee/ Nomination Committee	-	-	-	-	-	-	600,000	600,000
4. Mrs. Sunan Niyomnaitham	Vice chairman of Executive Board and Chief Financial Officer / Remuneration Committee / Corporate Governance & Sustainable Development Committee	-	-	-	-	-	-	400,000	400,000
5. Mrs. Somporn Tiyaviboolsiri	Nomination Committee	-	-	-	-	-	-	200,000	200,000
6. Mrs. Teerada Ambhanwong	Company Director	-	-	-	-	-	-	200,000	200,000
7. Mrs. Chortip Pramroj Na Ayudhya	Independent Director / Remuneration Committee / Nomination Committee /	45,000	-	8,000	8,000	-	-	150,000	211,000
8. Mr. Khachornsakdi Vanaratseath	Independent Director / Chairman of Audit Committee	45,000	60,000	-	-	-	-	200,000	305,000
9. Mrs. Nuchanart Thammanomai	Independent Director / Audit Committee	45,000	45,000	-	-	-	-	150,000	240,000
10. Gen.Konechanart Chunnabhata	Independent Director / Chairman of Risk Management Committee	45,000	-	-	-	40,000	-	150,000	235,000
11. Mr. Santi Bangor	Independent Director / Audit Committee / Chairman of Corporate Governance & Sustainable Development Committee	45,000	45,000	-	-	-	20,000	150,000	260,000
12. Mrs.Kityaporn Chaithavornsathien	Remuneration Committee	-	-	-	-	-	-	200,000	200,000
13. Piranart Chokwatana	Company Director	-	-	-	-	-	-	200,000	200,000
Total		225,000	150,000	8,000	8,000	40,000	20,000	3,000,000	3,451,000

1.2 Remuneration for Executive Directors

The remuneration of Executive Director means the remuneration for the Executive Directors and the forth 4 directors of the executive board ranking from manager and the equal ranks to the 4th executive, totaling 8 persons. The remuneration is paid in salary, bonus, daily allowance, and meeting allowance. The Executive Directors are paid as an employee.

Remuneration	2022		2021	
	Number (Person)	Amount (Baht)	Number (Person)	Amount (Baht)
Salary and Daily Allowance	8	12,419,695	7	7,963,020
Annual Remuneration	8	1,600,000	7	760,000
Meeting Allowance	8	- None -	7	- None -
Total		14,019,695		8,723,020

2. Others Remuneration

The Company has no policy to pay others remuneration except the remuneration of directors or employee which shall be paid as usual. There are no shares, debentures or other securities are given to executive directors.

(1) Others remuneration of Company Directors

- None -

(2) Others remuneration of Executive Directors

The forth 4 directors of the executive board ranking from manager and the equal ranks to the 4th executive, totally 8 persons, of which there are 5 persons will receive other remuneration in term of provident fund.

People's Garment Public Company Limited has established a provident fund that executives who have joined the provident fund receive a monthly contribution to the fund in the amount of 3 - 5 percent of wages. Members of the fund must also contribute to the fund at the same rate. If in any month a member fails to remit his/her contribution to the fund, the employer is not obliged to remit its contribution for such member in the same month. Upon the expiration of membership, the member would receive the contributions as well as a share of net benefits pursuant to the conditions of the fund.

The details of others remuneration of executive directors

Remuneration	2022		2021	
	Number (Person)	Amount (Baht)	Number (Person)	Amount (Baht)
Provident fund contributed by the Company	5	185,870.10	5	139,443.60
Total	5	185,870.10		139,443.60

In the year 2022, the Company have a contributory fund for top 4 executives according to the definition of the Office of the Securities and Exchange Commission (SEC).

7.5 Information of Employee

Number of Employee

As of December 31, 2022, The Company had totally 738 employees.

	Administration		Factory		Total		Monthly Employee		Daily Employee		Total of Employee	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Head office: Bangkok	62	148	4	46	66	194	66	132	0	62	66	194
Lumphun Branch	4	4	60	213	64	217	17	21	47	196	64	217
Kabinburi Branch	6	8	31	152	37	160	22	23	15	137	37	160
Total	72	160	95	411	167	571	105	176	62	395	167	571

Significant labor disputes during the last 3 years

– None–

Remuneration of Employees

The company has a total of 738 employees. In 2022, the Company paid remuneration to all employees in the amount of 150,715,646.80 million baht, consisting of salary, bonus, daily allowance, overtime pay, wages, goal achieve pay, and skilled labor pay as following;

Total remuneration	2022 (Baht)	2021 (Baht)
Salary / Wages	112,965,322.99	128,102,385.06
Bonus and Others	35,278,439.76	11,099,514.64
Provident fund contributed by the Company	2,471,884.05	2,441,709.12
Total	150,715,646.80	141,643,608.82

Salary and wages

Monthly remuneration which is paid to employees for their performance to work for the company which will be determined by the position, duties and responsibilities towards the organization

Bonus

Special remuneration paid to employees is considered by the Company's operation result. Such remuneration is not be a specific rate and must be approved by the Board of Director annually.

Provident fund

Company has established a provident fund for employee welfare and promoting saving including motivating employees to work with the Company for long term. Employees who have joined the provident fund receive a monthly contribution to the fund in the amount of 3 - 5 percent of wages. Members of the fund must also contribute to the fund at the same rate. Upon the expiration of membership, the member would receive the contributions as well as a share of net benefits pursuant to the conditions of the fund.

Development and Promotion of Employees' Potential

Policy on Employee Development

The Company realized that employees are valuable resources and key factors to success building the Company's sustainable growth. It is thus important to the Company to have qualified personnel. The Company

then set the strategy and policy for employee development emphasizing on increment of efficient management and employee development in consistent with environment and technology of the Company's operation. This starts with analysis on demand of manpower supporting the business expansion, increment of competitive capability and various changes of circumstance as well as evaluation on performance, readiness of capability and employees' ability in all level which would be resulting to the continuous and sustainable business' growth.

7.6 Other important information

The person who are assigned to be directly responsible for supervising accounting and finance.

The company assigned Mrs. Sunan Niyomnaitham, Vice chairman of Executive Board, is the highest responsible person in accounting and finance who is responsible for overseeing the organization's information and financial resources and driving the organization's financial strategy to achieve business goals. *Details of the person holding the position of person in charge of accounting and finance of the company appear in Attachment 1.*

Company secretary

On September 5, 2008, the Board of Directors approved the appointment of Mrs. Suvimol Charoensrichai as the Company's secretary to comply with the Securities and Exchange Act which is responsible for performing duties as required by law on behalf of the company or the board of directors. The company secretary plays an important role in effective coordination to inside and outside and also must responsibly perform duties with caution and honesty as well as complying with the law, objectives, company articles of association, resolutions of directors, as well as resolutions of the shareholders' meeting, *details of the person holding the position of person in charge of the company's accounting and finance are shown in Attachment 1.*

Head of Internal Audit

The Audit Committee considers and appoints Ms. Warassara Bunchujaras as the head of the internal audit unit and the secretary of the audit committee to take duty to review and assess adequacy, suitability, and efficiency of the internal control system in order to be confident that the system complies with audit standards and sufficient independency. The internal audit will give suggestions for improvement to create value-added to the organization and support the company's corporate governance process. *The details of the person holding the position of person in charge of accounting and finance of the company appear in Attachment 3.*

Head of Investor Relations

The company has established an investor relations unit to be a channel for communicating important information that is useful to shareholders, analysts, investors, and the general public by requiring that the office of the Company Secretary is responsible for investor relations to disclose important information to investors and related parties.

For more information be able to contact the Investor Relations Department at:-

Investor Relation unit: Mrs. Suvimol Charoensrichai

People's Garment Public Company Limited



666 Rama 3 Road, Bangpongpan
Yannawa, Bangkok. 10120
Telephone : 0-2685-6509
Fax : 0-2294-5159
E – Mail : suvimol@pg.co.th

Auditor

Audit fee

Unit: Baht

Payer (Company)	Name of Auditor	Audit fee
People's Garment Public Company Limited	Ms. Orawan Techwattanasirikul	1,260,000.-
Total Audit Fee		1,260,000.-

Non audit fee: - None -

Comparison of audit fees in 2022 and 2021

Unit: Baht

Type of Audit fee	2022	2021
Fee for reviewing financial statements for the 1 st , 2 nd , 3 rd quarters	450,000	450,000
Fee for Annual financial statement audit	810,000	810,000
Total	1,260,000	1,260,000
Copy rights check	-	-
Examination of compliance with conditions of investment promotion certificates	-	-
All total	1,260,000	1,260,000

8

Report of key performance in view of corporate governance

8.1 Summary of the performance of the Board of Directors in the year 2022

The Board of Directors has participated in the formulation of visions, policies, business plans with the commitment to conduct business with fairness and responsibility to all stakeholders under the framework of good corporate governance principles as well as supervise the management to effectively operate in accordance with the established strategic plans both innovation and technology which have been applied appropriately. It is including conducting business with responsibility to society, community and environment. for the organization to grow sustainably.

In 2022, the Board of Directors has played an important role in formulating policies and strategies that lead to increased business competitiveness as follows:

- Review the charter of the Board of Directors, sub-committees to define the scope of duties in accordance with the Good Corporate Governance Principles for Listed Companies 2017 (CG CODE). In addition, to be accordance with the business conditions that has been changed in order to increase the Company's competitiveness
- Tracking the implementation of the established strategy which the Board of Directors has monitored the practice through meetings of the Board of Directors meeting in quarterly basis that are reported by the Executive Committee.
- Internal Control and Internal Audit, the Board of Directors realizes the importance of internal control and internal audit systems by establishing an effective internal control system in consistent with risk levels that is acceptable. Moreover, the boards of director assign the Audit Committee to regularly review and follow up the performance to build confidence for executives and all stakeholders.
- Risk Management, the Board of Directors is responsible for overseeing the management of risks that may affect business operations. The risk management committee was established to perform duties and be responsible for supervising and promoting effective risk management. It is including considering significant risks as well as formulating action plans, monitoring, and continual evaluation to reduce the risk level to be an acceptable level by organizing a meeting of the Risk Management Committee to assess the level of risk along with corrective action to reduce the risk level and report to the Board of Directors quarterly.
- Review anti-corruption policy to improve practices and compliance in order to comply with the corruption policy including communication and training in accordance with the self-assessment to develop an anti-corruption system of the Thai Private Sector Coalition Against Corruption (CAC), revised version 4.0
- Prevention of conflicts of interest of directors, executives, and major shareholders. The Board of Directors has established management tools to ensure that the Company manages its business with efficiency and transparency for the best interests of shareholders by ensuring that there is no conflict of interest in the operation. If a director or executive has a stake in any matter, it must be disclosed the matter entirely.
- Promoting innovation, the Board of Directors attaches great importance to promoting and supporting the adoption of innovation and technology to be used to build competitiveness and create value for the business according to the current environment. This is to respond to the needs of all stakeholders which the Board of Directors supervises the management to take part in the review of strategy and improvement planning in the work process including follow up the performance.

- Sustainability Development, the Board of Directors plays a role in supporting the Company's business operations according to the principles of good governance and to create balance in view of economic, social, and environmental dimensions. This philosophy of sustainable business development has been instilled and molded into every operational process of the organization to foster a balance between business operations, caring for the environment, and creating well-being with communities and society
- In 2022, the Board of Directors approved an amendment to the Corporate Governance Committee Charter to cover both aspects of governance and sustainable development including amendment to become the Corporate Governance and Sustainable Development Committee.

Recruiting, developing and evaluating the performance of the Board of Directors

Recruiting, developing and evaluating the performance of the Board of Directors according to the principles of good corporate governance which is great importance. This is because the Board of Directors plays an important role in formulating strategies and business guidelines for sustainable growth. The company has disclosed details about the rules and different processes regarding the nomination of directors please see section 6.1 Overview of Corporate Governance Policy and Guidelines under section 2 Sub-committees.

Meeting attendance

The Board of Directors must attend meetings regularly to acknowledge and jointly decide on the Company's business operations which requires the meeting to be held at least once in a quarter by pre-scheduling the meeting annually and having a clear agenda and notify each director to allocate time to attend the meeting and there may be additional special meetings to consider urgent matters.

In 2022, 5 meetings were held to consider various matters. The chairman who acts as chairman of the meeting allocates sufficient time for the meeting and to allow each director to express their opinions independently.

In addition, the Company arranges a meeting among non-executive directors without the management attending the meeting after the completion of the annual meeting. In 2022, the meeting was held without management on December 22, 2022.

Table showing the meeting attendance of the Board of Directors and sub committees for the year 2022

Name	Company Director	Audit Committee	Remuneration Committee	Nomination Committee	Risk Management Committee	Corporate Governance Committee	Board of Executive	Non-executive directors meet among themselves.	The 43rd Annual General Meeting of Shareholders 26/4/2022
1. Mr. Boonkiet Chokwatana	5/5	-	2/2	2/2	-	-	-	1/1	1
2. Mr. Chailert Manoonpol	5/5	-	-	-	4/4	-	-	1/1	1
3. Mr. Viritpol Chaithavornsathien	5/5	-	-	2/2	4/4	2/2	12/12	-	1
4. Ms. Sunan Niyomnaitham	5/5	-	2/2	-	-	2/2	12/12	-	1
5. Ms. Somporn Tiyaviboonsiri	5/5	-	-	2/2	-	-	-	1/1	1

Name	Company Director	Audit Committee	Remuneration Committee	กฤษฎีกา	Risk Management Committee	Corporate Governance Committee	Board of Executive	Non-executive directors meet among themselves.	The 43rd Annual General Meeting of Shareholders 26/4/2022
6. Ms. Theerada Ambhanwong	5/5	-	-	-	-	-	-	1/1	1
7. Mrs. Chortip Pramroj Na Ayudhya	5/5	-	2/2	2/2	-	-	-	1/1	1
8. Mr. Khachornsakdi Vanaratseath	5/5	5/5	-	-	-	-	-	1/1	1
9. Mrs. Nuchanart Thammanomai	5/5	5/5	-	-	-	-	-	1/1	1
10. Gen.Konecharnart Chunnabhata	5/5	-	-	-	4/4	-	-	1/1	1
11. Mr. Santi Bangor	5/5	5/5	-	-	-	2/2	-	1/1	1
12. Mrs.Kityaporn Chaithavornsathien	5/5	-	2/2	-	-	-	-	1/1	1
13. Mr. Piranart Chokwatana	4/5	-	-	-	-	-	-	1/1	1
Take a position as a director of the company on the date of the Annual General Meeting of Shareholders April 26, 2022									
14 Mrs. Sasivimol Kluyasritrakul	-	-	-	-	4/4	-	12/12	-	1
15. Mrs.Nutchapunporn Sunthornviset	-	-	-	-	-	-	12/12	-	1
16. Mrs. Photchamarn Engkanisarn	-	-	-	-	-	-	12/12	-	1
17. Mrs. Kalayanee Chantarapikul	-	-	-	-	-	-	12/12	-	1
18. Mrs. Suvimol Charoensrichai	-	-	-	-	4/4	2/2	12/12	-	1
19. Ms. Salinla Chaiput	-	-	-	-	4/4	-	12/12	-	1

Director's Remuneration

The Board of Directors assigns the Remuneration Committee to consider the limitation of the Board of Directors' remuneration and sub-committees to be at a appropriate level to the responsibilities of each director based on experience, responsibilities, scope and roles participation. According to the information presented in the topic "7.4 Information on Executives: Policy on Remuneration of Directors and Executives"

Prevention of conflicts of interest

The Company realizes the importance of dealing with conflicts of interest of stakeholders with prudence, fairness, reasonableness and transparency by defining various policies and practices which conflicts of interest are clearly stated as follows:

1. To operate conflicts of interest or connected transactions prudently, fair and reasonable with a transparent process for approval to enter into transactions by taking into account the interests of the company as important. Directors with stakeholders do not have the right to vote and disclose information in its entirety according to the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand
2. Upholding the interests of the company under the law without doing anything which is a conflict of interest with the company including no benefit or give special privileges to any person.
3. Company directors and executives must report their interests and related parties according to the prescribed criteria.
4. Company directors, executives and employees who are in the department that is aware of internal information, are prohibited on any trading in the Company's shares for one month prior to the disclosure of the financial statements to the public.
5. To define that company director, executives, and their spouses and underage children has a duty to report securities holdings and changes in the Company's securities holdings to the Board of Directors at the next Board of Directors' meeting.
6. Do not disclose or pass on company information or secrets or has been known to third parties or those who are not related.
7. Disclosures must be made by authorized employees of the company or may be define classes of confidentiality that may be assigned based on the importance of the information and the information provided must be within the framework of the duties and responsibilities assigned.
8. The company has set a policy for directors and senior executives to notify the chairman of the company about the trading of the company's shares at least 1 day in advance of trading.

Supervision of the use of inside information

The Company has clearly defined measures to prevent misuse of inside information in writing in the manual. "Good Corporate Governance Principles" with relevant measures such as prohibiting directors, executives and employees who are related to inside information including spouses or those who live together as husband and wife and underage children buying and selling the Company's securities during the 1-month period prior to the disclosure of the financial statements (Blackout Period) before the quarterly financial statements are disclosed and annual financial statements and within 24 hours of disclosure of financial statements. This is including reporting on changes in securities holdings of directors and executives as required by the SEC, and regularly reporting on board meetings.

Anti-Corruption Policy and Guidelines

The Company demonstrates its commitment to anti-corruption by stipulating the "Anti-Corruption Policy" and "Anti-Corruption Policy Compliance" in writing clearly along with creating awareness attitudes to Directors, management, and staff in working with honesty such policies has been reviewed for appropriateness by the Board of Directors annually.



To study more information, it is defined the "anti-corruption policy" and "compliance with the anti-corruption policy" on the company's website www.pg.co.th under the heading "Corporate Governance. Good > Anti-Corruption"

In 2022, held a meeting “Expansion of the Anti-Corruption Alliance” with trading partners via online system to create understanding and awareness of the problems and methods for preventing various corruption risks. In the role of trading partners, it is in line with the company’s anti-corruption policy, which emphasizes on good governance, transparency and accountability in business operations as well as raising the level of being an organization that is an anti-corruption alliance in working together with the company.

Whistle Blowing Policy

The company provides channels for receiving complaints and notifying clues from both inside and outside the company and to deal with complaints appropriately and set up measures to protect and maintain the confidentiality of complainants. Details are in the section “6. Corporate Governance Policy: 6.1 Overview of Corporate Governance Policies and Practices, Section 3: Consideration of the Roles of Stakeholders”.

8.2. Report of the performance of the Audit Committee in the year 2022

The Company has appointed the Audit Committee who are all independent directors to verify the correctness, adequate disclosure and reliability of financial statements, Corporate Governance, and Internal Control of the Company in 2021, which details the obligations as stated in “Item 6.1 Overview of Corporate Governance Policy and Guidelines under Item 2. Sub-Committees”

8.3. Summary of the performance of other sub-committees

In 2022, the company disclosed the meeting information and report on the performance of the Risk Management Committee, Corporate Governance Committee, Nomination committee, Remuneration Committee Details can be found in “Attachment 6 and “ Item 6.1 Overview of Corporate Governance Policies and Practices, under Item 2 Sub-Committees”.

9

Internal Control and Related Transaction

9.1 Internal controls in 2022

The Board of Directors considered the sufficiency of the internal control system for the year 2022. It was jointly agreed on Board of Directors Meeting No. 1/2023 on February 23, 2023.

The Audit Committee considers the Company's internal control system by the Internal Audit Department reports a summary of the internal audit performance for the year 2022 according to the quarterly and annual summary reports, independently reporting directly to the Audit Committee. There are observations from the work activities that the Audit Committee had a meeting with the management to discuss together to consider the practice guidelines revision and monitoring improvements.

The Audit Committee Meeting 2022, totaling 5 times, agenda of the meeting to is to consider the financial statements, The Audit Committee had questions to discuss with the Company's auditor regarding important matters of financial reporting standards and accounting standards that affect the financial statements for preparation to be compliance with relevant requirements. The Company's Accounting and Finance Department has clearly explained and reported on the practice guidelines for financial reporting to show accounting numbers to correctly comply with accounting standards in accordance with the prescribed accounting principles.

The sufficiency of the internal control system, the SEC assessment form for the year 2022, the board of directors considered the COSO principles which composes of all 5 components with 17 principles, namely control environment, risk assessment, control activities, information & communication, and monitoring activities. The internal organization management of the company is implemented in compliance with transparency processes, and the processes of organizational communication are adopted clearly. Moreover, the internal auditors are responsible for reviewing the sufficiency of internal control and monitor the solving results consistently which each section can be summarized as follows:

- 1. Control Environment** The Board of directors has supervised operation management to be the right direction and suitability to achieve business goal of the year 2023 by adhering to review organizational restructuring to be suitable for current business operation. The boards focusing on allocating, separating duties and responsibility to generate balancing of power, transparently; moreover, there is a supervision for employees to work according to the company's requirements, including the recommendations of the Audit Committee. The executive committee reviews important work processes and promote operational efficiency to reduce duplication of work and supporting work to be flexible. There is the concept of developing information technology systems to apply in the work process, operation, and management to be accurate and promote work development continuously under the framework of good internal control.
- 2. Risk Assessment** The Risk Management Committee perform duty to manage the oversight activities which could have a significant impact on the organization together with regularly review risk management for business activities and operations and quarterly risk management measures for anti-corruption that is for transparent management and safe business operations.

- 3. Control Activities** The executives manage and monitor to ensure that the operations are compliance with the Company's policy framework, regulations and directives in order to have a sufficient internal control system especially the procurement process, internal contact, external work in the form of business activities, preparation of financial reports, The management regularly review the practice guideline. There is a clear assignment of authority to each management to be responsible for reviewing and approving their work, including the duty to follow up the work to be accurate and appropriate. The Internal Audit Department is responsible for auditing and evaluating in order that the practice guideline and work implementation of all divisions to be comply with the steps of practice guideline sufficiently and appropriately. Suggestions of the Internal Audit Department will be proposed to the management to establish a internal control system of the company to be more complete.
- 4. Information & Communication** The information system has been developed to support working process, administration, production management, sales management, other related sections, internal communication system, and external communication to support work efficiency and the management can adopt the information for more efficiency and ability to use the information to make decisions quickly and correctly.
- 5. Monitoring Activities** The administration has been reviewed and monitored regularly to clearly acknowledge the company policy and be able to perform according to organizational goals, Internal auditors perform their duties in auditing and evaluating performance to achieve the specified goals under good corporate governance according to the regulations of the Stock Exchange of Thailand. In addition, the internal audit section reports directly to the audit committee. The Audit Committee considers the notice, provide suggestions and opinions to the Company's management to develop and improve for better internal control system.

The Audit Committee consider together to agree on the sufficiency of the internal control system of People's Garment Public Company Limited by expressing an opinion to be suggestions for the company to organize the work system in line with the business activities of the company. Moreover, giving consulting to management of the company to have good risk management and corporate governance and clarity of financial reporting in compliance with the Stock Exchange of Thailand regulations and relevant law, The company has an appropriate operating guideline and therefore agreed to propose to the Board of Directors' meeting for approval.

9.2 Connected Transaction (Related Transaction)

Significant Related Transactions with Persons who may have Conflict

In 2022, the Company (PG) had significant related transactions with persons who may have conflicts with necessity and reasonableness as following details.

Transactions on Assets and Services / Real Estate Rental (not more than 3-year period)

Related Company	Type of Relationship	Shareholding Percentage (%)		Key Description of Transaction	Value of Transaction (Million Baht)
		PG (%)	Company Related to PG (%)		
Thai Sport Garment Co.,Ltd.	A , B	19.00	-	Rental income	5.30
				Consultancy fee income	1.20
				Total	6.50

Nature of relationship : A = Co-majority shareholder

B = Co-director

Remarks : According to the Board of Directors Meeting No. 6/2021, held on Tuesday 21st December 2021 approved execution of transactions for Asset and Service of connected persons (For the year 2022) which a director who is a Connected person and that does not attend the meeting and has no rights to vote.

Policy on Related Transaction

Regarding related party transaction, the Company operated the transaction with ethical practice and fairness complying with market prices as well as fair and at arms' length likewise determination to other non-related person or business.

Transaction	Remuneration Policy
Rental Income	The Remuneration is set following to market price depending on the location, physical condition and asset utilization.
Consultancy Fee Income	The remuneration is set by difficulty and scope of services.

The Volume of the Transaction

Such transaction is connected transaction with related companies which is a connected transaction under the announcement of the Stock Exchange of Thailand regarding disclosure and operation of listed companies in the connected transaction B.E. 2003 category No.4. The transaction volume is more than Baht 1 million but less than Baht 20 million; or, more than 0.03% but less than 3% of Net Tangible Assets (NTA), whichever is higher.

Opinion of the Board of Directors and Audit Committee

In case of significant inter-transaction, the Company has a policy to take such matters into the Board of Directors meeting to consider approving or giving approval to present to the shareholders' meeting based on transaction volume. However, to consider inter-transaction, the Board of Directors will consider the reasonability of the price and other relevant conditions for maximum benefit to the company.

In 2022, Independent directors and the board of directors have opinions on the related transactions by approval of Transaction related to assets and services including lease or rental of movable properties (not over 3 years) as above mentioned had been approved because of the reasonable prices and other relevant conditions. The transaction volume is more Baht 1 million but less than Baht 20 million; or, more than 0.03% but less than 3% of Net Tangible Asset (NTA), whichever is higher provided that it must be approved by the Board of Directors and disclosed the information to Stock Exchange of Thailand without approval of the Shareholder.

Approval Procedures of Related Transaction

1. In the event of a connected transaction being a regular transaction, the management requested for Board of Directors Meeting, approved the authorization to management for those transactions under normal trading terms that would be reasonably made between parties generally in the same circumstances and under trade bargaining powers free from influence in the capacity of being a Director, executive officer or connected person. In this regard, the management would make regular reports of all transactions under such conditions for the acknowledgement of the Board of Directors Meeting every quarter.

2. In the event of a connected transaction not being a regular transaction, if the value of the transaction does not require the approval of the meeting of shareholders under the Regulations of the Stock Exchange of Thailand, it will first be considered by the Executive Committee of the Company. If the value of the transaction is within the authority of the Executive Committee, approval of the connected transaction would be complete at this stage where in the interested person would not participate in the meeting and cast vote. However, if the value of the connected transaction exceeds the authority of the Executive Committee, the Executive Committee would summarize its resolution and make a submission to the Board of Directors, also attended by the Audit Committee, for approval. Also in such a meeting, the interested person would not participate in the proceedings and cast votes.

The Board of Directors considers transaction that might have conflict of interest or related transaction appropriately. Such related transactions are reviewed by Audit Committee. Moreover, the Company discloses details of transaction that might have conflict of interest to public accurately and completely according to the notification of the Capital Market Supervisory Board No. Tor Jor. 21/2008 regarding “Rules for Connected transaction”

After the completion of the meeting, the Company informed the resolutions and complied with all the requirements under the notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand before entering the transaction. The execution of transaction was reported to the Stock Exchange of Thailand and published in the Company’s website: www.pg.co.th both in Thai and English.

Necessity and Reasonableness of Transaction with Persons who may have Conflicts

Doing business under intense competition, the Company should rely on partnerships or business networks, both upstream and downstream to increase the strength and business potential. This will lead to development and sustainable growth.

Although, partners or business networks may be a person who may have a conflict, The Board of Directors should consider the necessity and appropriateness of entering into such transaction, by taking advantage of the Company’s importance. The trading price is normal. It does not act to distribute the Company’s interests to persons who may have a conflict of interest.

The Board of Directors follows the Securities and Exchange Act (No. 4) B.E. 2008, Section 89/12, after the annual general meeting of shareholders, the Board of Directors has approved the principle that the management can approve the normal business transactions and support items with commercial agreement in the same way that a normal person would treat a counterparty in the same situation with the bargaining power without the influence of being a director, company, executive or related person. The transaction shall be reported to the Board of Directors on a quarterly basis.

Policy on Related Transaction in the Future

The Board of Directors has been aware on each responsibility as a director of the Public Company against the shareholders, employees and all stakeholders in compliance with Good Corporate Governance principle. The Company’s related transaction in the future would be a regular transaction with normal trading terms under trade bargaining powers of the market and business. It is fairly and free from transferring interest between the Company and related persons. The Company also reveals the information as required by the regulation of the Capital Market Supervisory Board regarding “Rules for Connected Transaction”.



Financial Statements

Part

3

Independent Auditors

To the Shareholders of People's Garment Public Company Limited

Opinion

I have audited the accompanying financial statements of People's Garment Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of People's Garment Public Company Limited as at 31 December 2022, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for each matter are describe below.

Revenue recognition

The Company has a large number of commercial transactions with customers and some sales are export sales with delivery conditions that should be considered when recording the transactions, including some consignment sales. As a result, the Company's sales transactions are subject to conditions relevant to revenue recognition. Therefore, I addressed revenue recognition to be key audit matter and focused on the occurrence and timing of revenue recognition.

I have examined the revenue recognition of the Company by:

- Assessing and testing the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- On a sampling basis, examining supporting documents for sales transactions occurring during the year and near the end of the accounting period to verify the occurrence and accuracy of revenue, whether revenue recognition was consistent with conditions, and whether it was in compliance with the Company's policy of revenue recognition.
- Reviewing credit notes that the Company issued after the period end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Allowance for diminution in value of inventories

Estimating the net realisable value of inventories, as disclosed in Note 9 to the financial statements, is an area requiring management judgment, particularly with regard to the estimation of allowance for diminution in the value of slow-moving and obsolete inventories. This requires detailed analysis of the product life cycle and demands on product of the market. There is thus a risk with respect to the amount of allowance set aside for diminution in the value of inventories.

I assessed and tested the internal controls of the Company relevant to the determination of allowance for diminution in the value of inventories by making enquiry of responsible executives, gaining an understanding of the internal controls and selecting representative samples to test the operation of the designed internal controls. In addition, I also assessed the method and the assumptions applied by management in determining such allowance. The procedures that I performed included:

- Gaining an understanding of the basis applied in determining the allowance for diminution in value of inventories and reviewing the consistency of the application of that basis, and the rationale for the recording of specific allowance.
- Comparing the inventory holding periods and inventory movements to identify product lines with indicators of lower than normal inventory turnover.
- Comparing details of sales transactions occurring after the date of the financial statements with the cost of inventories for each product line.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Orawan Techawatanasirikul

Certified Public Accountant (Thailand) No. 4807

EY Office Limited

Bangkok: 23 February 2023

Financial Statement

Statement of financial position

People's Garment Public Company Limited

As at 31 December 2022

(Unit: Baht)

	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	7	26,249,532	35,579,438
Trade and other receivables	8	120,140,974	137,715,276
Inventories	9	365,704,097	328,249,862
Current portion of other non-current financial assets	11	1,500,000	25,000,000
Other current financial assets	10	306,580,426	325,359,260
Other current assets		3,675,244	5,555,316
Total current assets		823,850,273	857,459,152
Non-current assets			
Other non-current financial assets, net of current portion	11	688,197,382	610,027,198
Investments property	12	387,013	387,013
Property, plant and equipment	13	145,081,347	144,297,741
Right-of-use assets	14	12,029,484	17,323,377
Intangible assets		3,075	187,721
Other non-current assets		1,739,128	2,020,080
Total non-current assets		847,437,429	774,243,130
Total assets		1,671,287,702	1,631,702,282

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

People's Garment Public Company Limited

As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	15	59,706,061	98,109,127
Current portion of lease liabilities	16	6,076,642	5,893,097
Other current liabilities	6	28,366,493	3,939,025
Total current liabilities		94,149,196	107,941,249
Non-current liabilities			
Lease liabilities, net of current portion	16	6,860,868	12,340,269
Provision for long-term employee benefits	17	61,628,608	64,075,818
Deferred tax liabilities	23	47,396,902	41,377,359
Total non-current liabilities		115,886,378	117,793,446
Total liabilities		210,035,574	225,734,695
Shareholders' equity			
Share capital			
Registered			
96,000,000 ordinary shares of Baht 1 each		96,000,000	96,000,000
Issued and fully paid			
96,000,000 ordinary shares of Baht 1 each		96,000,000	96,000,000
Premium on share capital		325,200,000	325,200,000
Retained earnings			
Appropriated - statutory reserve	18	9,600,000	9,600,000
Appropriated - general reserve	19	2,500,000	2,500,000
Unappropriated		776,399,969	744,633,195
Other components of shareholders' equity		251,552,159	228,034,392
Total shareholders' equity		1,461,252,128	1,405,967,587
Total liabilities and shareholders' equity		1,671,287,702	1,631,702,282

The accompanying notes are an integral part of the financial statements.

Directors

Statement of comprehensive income
People's Garment Public Company Limited
For the year ended 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Profit or loss:			
Revenues			
Sales income		687,169,886	612,615,314
Other income	20	59,717,362	48,050,258
Gains on measurements of fair value of investments		5,255,642	6,254,075
Total revenues		752,142,890	666,919,647
Expenses			
Cost of sales		547,177,897	507,992,850
Selling and distribution expenses		11,279,544	9,887,195
Administrative expenses		149,286,920	135,654,122
Total expenses		707,744,361	653,534,167
Profit before finance cost and income tax		44,398,529	13,385,480
Finance cost	21	(762,264)	(1,019,299)
Profit before tax expense		43,636,265	12,366,181
Income tax expenses	23	(140,101)	(1,724,435)
Profit for the year		43,496,164	10,641,746
Other comprehensive income:			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Gains on investments in equity designated at fair value through other comprehensive income - net of income tax		21,388,377	26,389,516
Other comprehensive income for the year		21,388,377	26,389,516
Total comprehensive income for the year		64,884,541	37,031,262
Earnings per share	24		
Basic earnings per share			
Profit for the year		0.45	0.11

The accompanying notes are an integral part of the financial statements.

People's Garment Public Company Limited
Statement of changes in shareholders' equity
For the year ended 31 December 2022

	(Unit: Baht)									
	Other component of shareholders' equity									
	Other comprehensive income									
	Issued and fully paid share capital	Premium on share capital	Statutory reserve	Retained earnings	Unappropriated	Gain (loss) on investments in equity designated at fair value through other comprehensive income	Gain on increase in fair value of investment resulting from reclassification of convertible debenture to investments in equity designated at fair value through other comprehensive income	Total other component of shareholder's equity	Total	
Balance as at 1 January 2021	96,000,000	325,200,000	9,600,000	General reserve 2,500,000	736,480,764	201,994,851	6,760,710	208,755,561	1,378,536,325	
Profit for the year	-	-	-	-	10,641,746	-	-	-	10,641,746	
Other comprehensive income for the year	-	-	-	-	-	26,389,516	-	26,389,516	26,389,516	
Total comprehensive income for the year	-	-	-	-	10,641,746	26,389,516	-	26,389,516	37,031,262	
Dividends paid (Note 25)	-	-	-	-	(9,600,000)	-	-	-	(9,600,000)	
Transfer gain or loss of investment in equity designed at fair value through other comprehensive income (Note 11)	-	-	-	-	7,110,685	(7,110,685)	-	(7,110,685)	-	
Balance as at 31 December 2021	96,000,000	325,200,000	9,600,000	2,500,000	744,633,195	221,273,682	6,760,710	228,034,392	1,405,967,587	
Balance as at 1 January 2022	96,000,000	325,200,000	9,600,000	2,500,000	744,633,195	221,273,682	6,760,710	228,034,392	1,405,967,587	
Profit for the year	-	-	-	-	43,496,164	-	-	-	43,496,164	
Other comprehensive income for the year	-	-	-	-	-	21,388,377	-	21,388,377	21,388,377	
Total comprehensive income for the year	-	-	-	-	43,496,164	21,388,377	-	21,388,377	64,884,541	
Dividends paid (Note 25)	-	-	-	-	(9,600,000)	-	-	-	(9,600,000)	
Transfer gain or loss of investment in equity designed at fair value through other comprehensive income (Note 11)	-	-	-	-	(2,129,390)	2,129,390	-	2,129,390	-	
Balance as at 31 December 2022	96,000,000	325,200,000	9,600,000	2,500,000	776,399,969	244,791,449	6,760,710	251,552,159	1,461,252,128	

Cash flows statement

People's Garment Public Company Limited

For the year ended 31 December 2022

	(Unit: Baht)	
	2022	2021
Cash flows from operating activities		
Profit before tax	43,636,265	12,366,181
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	16,322,671	17,902,055
Reversal of allowance for expected credit losses	(49,355)	(46,081)
Reduction of inventories to net realisable value	2,270,749	6,533,198
Unrealised gain on other current financial assets	(5,255,642)	(6,254,075)
Gain on sales of other current financial assets	(10,254,662)	(9,498,589)
Interest income	(4,841,567)	(6,556,275)
Interest expense	762,264	1,019,299
Dividends income	(25,687,068)	(12,628,626)
Gain on disposals of equipment	(308,353)	(394,004)
Unrealised (gain) loss on exchange	(73,102)	1,110,618
Long-term employee benefits expenses	4,217,059	4,189,949
Gain from operating activities before changes in operating assets and liabilities	20,739,259	7,743,650
Operating assets (increase) decrease		
Trade and other receivables	16,280,607	(13,646,635)
Inventories	(39,724,984)	(33,515,576)
Other current assets	2,413,029	927,439
Other non-current assets	280,952	(1,060,860)
Operating liabilities increase (decrease)		
Trade and other payables	(37,970,871)	34,355,409
Other current liabilities	24,427,468	(3,581,330)
Cash paid for long-term employee benefits	(6,664,269)	(10,301,463)
Cash flows used in operating activities	(20,218,809)	(19,079,366)
Cash paid for income tax	(532,959)	(482,875)
Net cash used in operating activities	(20,751,768)	(19,562,241)

The accompanying notes are an integral part of the financial statement

Cash flows statement (continued)
People's Garment Public Company Limited
For the year ended 31 December 2022

	(Unit: Baht)	
	2022	2021
Cash flows from investing activities		
Cash paid for acquisitions of other current financial assets	(699,605,781)	(607,846,058)
Cash received from sales of other current financial assets	734,299,394	604,025,053
Cash received from redemptions of held-to-maturity securities	25,000,000	60,000,000
Cash paid for acquisition of other non-current financial assets	(77,526,490)	(63,977,837)
Cash received from sales of other non-current financial assets	25,124,124	42,039,086
Cash received from returns of other non-current financial assets	-	612,000
Interest income	5,421,050	6,988,238
Dividends income	25,687,068	12,636,568
Cash paid for acquisitions of equipment	(10,894,758)	(14,818,258)
Cash received from proceeds from sales of equipment	311,936	905,657
Net cash from investing activities	27,816,543	40,564,449
Cash flows from financing activities		
Cash paid for lease liabilities	(6,032,417)	(5,987,850)
Cash paid for interest on lease liabilities	(762,258)	(979,170)
Cash paid for interest on short-term loans from bank	(6)	(40,129)
Dividends paid	(9,600,000)	(9,600,000)
Net cash used in financing activities	(16,394,681)	(16,607,149)
Net increase (decrease) in cash and cash equivalents	(9,329,906)	4,395,059
Cash and cash equivalents at beginning of year	35,579,438	31,184,379
Cash and cash equivalents at end of year	26,249,532	35,579,438
Supplemental cash flows information:		
Non-cash transactions		
Unrealised gain on changes in value of investment in equity designated at fair value through other comprehensive income - net of income tax	(21,388,377)	(26,389,516)
Payables from acquisitions of investment in equity designated at fair value through profit or loss	280,213	38,052
Receivables from sale of investment in equity designated at fair value through profit or loss	613,000	940,111

The accompanying notes are an integral part of the financial statements.

Notes to financial statement

People's Garment Public Company Limited

For the year ended 31 December 2022

1. General information

People's Garment Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company's principal activities are manufacturing and distributing ready-made cloths. The registered office of the Company and factory is located at No. 666 Rama 3 Road, Bangpongpan, Yannawa, Bangkok. The Company has three plants in Lamphun, Prachinburi, and Chachoengsoa.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of cost under the weighted average method and net realisable value and includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	-	20 and 50 years
Machinery and equipment	-	5, 10, 15 and 20 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

4.6 Intangible assets and amortisation

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets in respect of computer software is amortised over the useful lives of 5 years.

4.7 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.8 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation (if any), any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2 - 5 years
Machinery and equipment	4 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.9 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.10 Impairment of non-financial assets

At the end of each reporting year, the Company performs impairment reviews in respect of property, building and equipment, right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.11 Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Company can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.12 Derivatives

The Company uses forward currency contracts to hedge its foreign currency risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

4.14 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting year, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting year, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting year that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

Determining the lease term with extension and termination options - The Company as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Company as a lessee

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for diminution in value of inventories

The determination of allowance for diminution in the value of inventories requires the management to exercise judgement in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business, minus selling expenses and provision for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventories.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
Boutique New City Plc.	Common shareholder
Saha Pathanapibul Plc.	Common shareholder
Thai Wacoal Plc.	Common shareholder
President Bakery Plc.	Common shareholder
S.T.G.C. Co., Ltd.	Common shareholder
Waseda Education (Thailand) Co., Ltd.	Common shareholder
Thai Takaya Co., Ltd.	Common shareholder
Cosmo Express Trading Co., Ltd.	Common shareholder
Sriracha Aviation Co., Ltd.	Common shareholder
Sahapat Properties Co., Ltd.	Common shareholder
Thai Staflex Co., Ltd.	Common shareholder
Sahapat Real Estate Co., Ltd.	Common shareholder
Thai Naxis Co., Ltd.	Common shareholder
Erawan Textile Co., Ltd.	Common shareholder
Bangkok Tokyo Socks Co., Ltd.	Common shareholder
Lion (Thailand) Co., Ltd.	Common shareholder
Thai President Foods Plc.	Common shareholder
Torfun Property Co., Ltd.	Common director
Thai Q.P. Co., Ltd.	Common director and shareholder
Saha Pathana Inter-Holding Plc.	Common director and shareholder
I.C.C. International Plc.	Common director and shareholder
Far East DDB Plc.	Common director and shareholder
Bangkok Rubber Plc.	Common director and shareholder
Sahacogen (Chonburi) Plc.	Common director and shareholder
Thai Sports Garment Co., Ltd.	Common director and shareholder
Champ Ace Co., Ltd.	Common director and shareholder
SSDC (Tigertext) Co., Ltd.	Common director and shareholder
Treasure Hill Co., Ltd.	Common director and shareholder
Pan Land Co., Ltd.	Common director and shareholder
Five Star Plus Co., Ltd.	Common director and shareholder
Thai Bunka Fashion Co., Ltd.	Common director and shareholder
Champ Kabin Co., Ltd.	Common director and shareholder
Bangkok Athletic Co., Ltd.	Common director and shareholder
T-Way Co., Ltd.	Common director and shareholder
Mr. Boonsithi Chokwatana	Brother of the Company's Director

During the year, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. The transactions are summarised as follow:

	(Unit: Thousand Baht)		
	2022	2021	Pricing policies
<u>Transactions with related companies</u>			
Sales of goods	416,653	345,199	Cost plus margin
Other income	9,702	8,734	Actual incurred
Dividend income	12,318	8,694	As declared
Rental income	5,358	5,233	Contract price
Hire of work - income	-	5	Contract price
Hire of work - expenses	29,735	26,236	Contract price
Return of investments in			
non-marketable security	-	612	Agreed price
Purchase of raw materials	681	4,438	Cost plus margin
Purchase of goods	13,696	10,221	Cost plus margin
Rental expenses	6,421	5,702	Contract price
Royalty fee	18	5	Contract price
Other expenses	5,569	3,315	Actual incurred

The balances of the account as at 31 December 2022 and 2021 between the Company and those related parties is provision for goods returned-related parties, presented under other current liabilities, amounting to Baht 6.5 million and Baht 2.7 million, respectively.

Directors and management compensation

During years ended 31 December 2022 and 2021, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	2022	2021
Short-term employee benefits	12,362	11,134
Post - employment benefits	76	74
Total	12,438	11,208

7. Cash and cash equivalents

	(Unit: Thousand Baht)	
	2022	2021
Cash	160	180
Bank deposits	26,090	35,399
Total	26,250	35,579

As at 31 December 2022, bank deposits in savings accounts carried interest between 0.1% and 0.5% per annum (2021: between 0.1% and 0.5% per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)	
	2022	2021
Trade accounts receivable - unrelated parties		
Not yet due	34,693	30,627
Over due:		
Not over 3 months	11,228	4,746
3 - 6 months	-	63
Total	45,921	35,436
Less: Allowance for expected credit losses	(14)	(64)
Trade accounts receivable - unrelated parties	45,907	35,372
Trade accounts receivable - related parties		
Not yet due	71,237	98,695
Over due:		
Not over 3 months	775	297
3 - 6 months	52	-
Trade accounts receivable - related parties	72,064	98,992
Other receivables		
Other receivables - unrelated parties	1,565	2,802
Other receivables - related party	605	549
Total other receivables	2,170	3,351
Total trade and other receivables	120,141	137,715

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

(Unit: Thousand Baht)		
	2022	2021
Balance at beginning of year	64	110
Reversal of the allowance for expected credit losses	(50)	(46)
Balance at end of year	14	64

9. Inventories

(Unit: Thousand Baht)						
	Cost		Reduce cost to net realisable value		Inventories-net	
	2022	2021	2022	2021	2022	2021
Finished goods	266,856	212,782	(19,739)	(20,951)	247,117	191,831
Work in process	22,432	29,809	-	-	22,432	29,809
Raw materials	101,250	105,499	(9,131)	(5,648)	92,119	99,851
Factory supplies	3,261	3,343	-	-	3,261	3,343
Inventories in transit	775	3,416	-	-	775	3,416
Total	394,574	354,849	(28,870)	(26,599)	365,704	328,250

During the current year, the Company reduced cost of inventories by Baht 2.27 million. This was included in cost of sales (2021: Baht 6.53 million).

10. Other current financial assets

(Unit: Thousand Baht)		
	2022	2021
Investments designated at fair value through profit or loss		
Unit trusts	125,854	76,714
Fixed deposits at banks	2	3
Investments in other companies	175,724	118,222
Investments in debt securities	5,000	130,403
Total investments designated at fair value through profit or loss	306,580	325,342
Derivative asset	-	17
Total other current financial assets	306,580	325,359
Cash received from sales of investments designated at fair value through profit or loss for the year	734,299	604,025

As at 22 February 2023, total fair value of investments designated at fair value through profit or loss was Baht 319 million.

11. Other non-current financial assets

	(Unit: Thousand Baht)	
	2022	2021
Investments designated at fair value through other comprehensive income		
Unit trusts	7,513	1,906
Investments in related companies	479,705	465,851
Investments in other companies	91,979	50,270
Total investments designated at fair value through other comprehensive income	579,197	518,027
Investment measured at amortised cost		
Investments in debt securities - at cost	110,500	117,000
Less: Mature within 1 year	(1,500)	(25,000)
Total investments in debt securities, net of current portion	109,000	92,000
Total other non-current financial assets, net of current portion	688,197	610,027
Cash received from sales of investments designated at fair value through other comprehensive income for the year	25,124	42,039

As at 22 February 2023, total fair value of investments designated at fair value through other comprehensive income was Baht 578 million.

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Company considers these investments to be strategic in nature.

During the year 2022, the Company disposed investments designated at fair value through other comprehensive income. The fair value on the date of sale was Baht 25.1 million. Loss on disposals of these investments of Baht 2.13 million was recorded in unappropriated retained earnings in statement of change in shareholders' equity. (2021: Baht 42.0 million and Baht 7.1 million, respectively). In 2022, the Company received dividends in the amount of Baht 0.4 million from the above investments. (2021: Baht 0.6 million).

In addition, during the year 2022, the Company received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 15.2 million (2021: Baht 9.9 million).

12. Investment properties

	(Unit: Thousand Baht)		
	Land	Factory buildings	Total
Cost:			
1 January 2021	387	4,835	5,222
31 December 2021	387	4,835	5,222
31 December 2022	387	4,835	5,222
Accumulated depreciation:			
1 January 2021	-	4,835	4,835
31 December 2021	-	4,835	4,835
31 December 2022	-	4,835	4,835
Net book value:			
31 December 2021	387	-	387
31 December 2022	387	-	387

The fair value of these investment properties as at 31 December 2022 and 2021 were stated below:

	(Unit: Million Baht)	
	2022	2021
Land	13.3	17.1
Factory building	3.6	1.5
Total	16.9	18.6
Rental income for the year	4.5	4.0

During the year 2022, the fair value of investment properties has been determined based on valuation performed by an independent appraiser, using market price for land and replacement cost for factory building.

Investment properties represented land and a fully depreciated factory building.

The Company rents this plant under agreements with a related company amounting to Baht 4.5 million. The term of agreements is 1 year since 1 January 2023 to 31 December 2023.

13. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost:							
1 January 2021	43,222	132,554	323,841	270,257	18,495	-	788,369
Additions	-	-	3,702	1,466	-	9,650	14,818
Disposals	-	-	(1,020)	(33)	(1,808)	-	(2,861)
31 December 2021	43,222	132,554	326,523	271,690	16,687	9,650	800,326
Additions	-	-	3,808	6,035	-	1,051	10,894
Transfer in (out)	-	-	-	9,700	-	(9,700)	-
Disposals	-	-	(23,589)	(9,684)	-	-	(33,273)
31 December 2022	43,222	132,554	306,742	277,741	16,687	1,001	777,947
Accumulated depreciation:							
1 January 2021	-	85,338	300,225	244,938	15,937	-	646,438
Depreciation for the year	-	2,116	3,920	4,770	1,134	-	11,940
Depreciation on disposals	-	-	(508)	(33)	(1,809)	-	(2,350)
31 December 2021	-	87,454	303,637	249,675	15,262	-	656,028
Depreciation for the year	-	2,049	2,811	4,619	629	-	10,108
Depreciation on disposals	-	-	(23,586)	(9,684)	-	-	(33,270)
31 December 2022	-	89,503	282,862	244,610	15,891	-	632,866
Net book value:							
31 December 2021	43,222	45,100	22,886	22,015	1,425	9,650	144,298
31 December 2022	43,222	43,051	23,880	33,131	796	1,001	145,081
Depreciation for the year							
2021 (Baht 5.7 million included in manufacturing cost, and the balance in selling and administrative expenses)							11,940
2022 (Baht 4.7 million included in manufacturing cost, and the balance in selling and administrative expenses)							10,108

As at 31 December 2022, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 643.1 million (2021: Baht 667.5 million).

14. Right-of-use assets

Movements of right-of-use assets account during the year ended 31 December 2022 and 2021 were summarised below.

(Unit: Thousand Baht)

	Building	Office equipment	Total
1 January 2021	23,078	378	23,456
Additions			
Depreciation for the year	(6,003)	(130)	(6,133)
31 December 2021	17,075	248	17,323
Additions	-	737	737
Depreciation for the year	(5,770)	(261)	(6,031)

15. Trade and other payables

(Unit: Thousand Baht)

	2022	2021
Trade accounts payable - related parties	3,189	6,813
Trade accounts payable - unrelated parties	39,234	76,465
Other payables - related parties	70	132
Other payables - unrelated parties	17,213	14,699
Total trade and other payables	<u>59,706</u>	<u>98,109</u>

16. Lease liabilities

(Unit: Thousand Baht)

	2022	2021
Lease payments	13,726	19,750
Less: Deferred interest expenses	(788)	(1,517)
Total	12,938	18,233
Less: Portion due within one year	(6,077)	(5,893)
Lease liabilities - net of current portion	<u>6,861</u>	<u>12,340</u>

The Company has entered into the lease agreements for rental of building and office equipment for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 to 5 years.

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	2022	2021
Balance at beginning of year	18,233	24,061
Additions	737	-
Accretion of interest	762	979
Reduction of lease payments	-	(771)
Repayments	(6,794)	(6,036)
Balance at end of year	<u>12,938</u>	<u>18,233</u>

Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	2022	2021
Depreciation expense of right-of-use assets	6,030	5,317
Interest expense on lease liabilities	762	979
Expense relating to short-term leases	200	162
Expense relating to variable lease payments	124	214

The Company had total cash outflows for leases for the year ended 31 December 2022 by Baht 7.1 million (2021: Baht 7.0 million).

17. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	2022	2021
Provision for long-term employee benefits		
at beginning of year	64,076	70,187
Included in profit or loss:		
Current service cost	3,177	3,508
Interest cost	529	565
Past service costs and losses on settlement	511	117
Benefits paid during the year	(6,664)	(10,301)
Provision for long-term employee benefits		
at end of year	61,629	64,076

The Company expects to pay by Baht 9.61 million of long-term employee benefits during the next year (2021: Baht 8.08 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 7 years (2021: 7 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	2022	2021
Discount rate	0.92	0.92
Salary increase rates	3.00	3.00
Turnover rates for staff	3 - 40	3 - 40

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

As at 31 December 2022				
	Increase	Effect to obligation	Decrease	Effect to obligation
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Discount rate	0.5	(2,689)	0.5	2,689
Salary increase rate	1.0	1,888	1.0	(1,810)
Turnover rate	20.0	(3,857)	20.0	4,461

As at 31 December 2021				
	Increase	Effect to obligation	Decrease	Effect to obligation
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Discount rate	0.5	(3,045)	0.5	3,045
Salary increase rate	1.0	1,812	1.0	(1,741)
Turnover rate	20.0	(3,645)	20.0	4,186

18. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

19. General reserve

The Company allocated portion of profit as general reserve without specific objective.

20. Other income

	(Unit: Thousand Baht)	
	2022	2021
Interest income	4,842	6,556
Consulting income	4,357	4,060
Rental income	6,519	6,320
Dividend income	25,687	12,629
Gain on sale of investments	10,255	9,498
Others	8,057	8,987
Total	59,717	48,050

21. Finance cost

	(Unit: Thousand Baht)	
	2022	2021
Interest expenses on borrowings	-	40
Interest expenses on lease liabilities	762	979
Total	762	1,019

22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Salaries and wages and other employee benefits	179,903	162,569
Depreciation and amortisation expenses	16,323	17,902
Rental expenses from operating lease agreements	324	1,028
Raw materials and consumables used	311,295	248,705
Changes in inventories of finished goods and work in progress	47,909	(13,064)

23. Deferred tax liabilities/Income tax expense

Tax expense for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)	
	2022	2021
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	140	1,724

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax on		
Gain from the change in value of investments in equity designed at fair value through other comprehensive income	5,880	4,844
	<u>5,880</u>	<u>4,844</u>

The reconciliation between accounting profit and tax expense is shown below.

	(Unit: Thousand Baht)	
	2022	2021
Accounting profit before tax	43,636	12,366
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	8,727	2,473
Reversal deferred tax liabilities as previously record	(1,060)	-
Effects of:		
Non-deductible expenses	856	4
Additional expense deductions allowed	(62)	(63)
Dividends income	(4,941)	(2,115)
Utilise of tax loss	(3,380)	-
Unrecorded of unused tax losses	-	1,425
Total	<u>(7,527)</u>	<u>(749)</u>
Tax expense reported in the statement of comprehensive income	<u>140</u>	<u>1,724</u>

As at 31 December 2022 and 2021, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax assets		
Goods consignment	119	-
Provision for goods returned	223	102
Allowance for diminution in value of inventories	5,774	5,320
Transfer of investments designated at fair value through other comprehensive income	832	1,231
Provision for long-term employee benefits	10,401	9,885
Lease	182	182
Total	<u>17,531</u>	<u>16,720</u>

	(Unit: Thousand Baht)	
	2022	2021
Deferred tax liabilities		
Unrealised gain on re-measuring investments	64,928	57,035
Others	-	1,062
Total	64,928	58,097
Deferred tax liabilities - net	47,397	41,377

The Company is not liable to corporate income tax for the years 2022 and 2021 due to tax loss brought forward. As at 31 December 2022, the Company has an unused tax loss of Baht 104.4 million (2021: Baht 156.9 million), on which deferred tax asset has not been recognised as the Company opines that there is uncertainty whether there will be sufficient future taxable profits to be utilised. The unused tax loss will expire by 2024.

24. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holder of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

25. Dividends paid

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
<u>2022</u>			
Dividend announced from retained earnings	Annual General Meeting of the shareholders on 26 April 2022	9.60	0.10
<u>2021</u>			
Dividend announced from retained earnings	Annual General Meeting of the shareholders on 27 April 2021	9.60	0.10

26. Financial information by segment

The Company is principally engaged in the manufacturing and distributing ready-made cloths. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

Major customer information

During the year 2022, the sale revenue of Baht 404.1 million (2021: Baht 330.4 million) was from a major customer which is related company.

27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rates of 3 to 5 percent of basic salary. The fund, which is managed by TISCO Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. In 2022, the Company contributed Baht 2.7 million (2021: Baht 2.6 million) to the fund.

28. Commitments and contingent liabilities

28.1 Operating lease commitments

The Company has commitments with regard to service agreements, and others under the non-cancellable agreements with the term of 1 year. The Company had obligations to pay service and rental fees as follows:

	(Unit: Thousand Baht)	
	2022	2021
Payable:		
Up to 1 year	722	913

28.2 Bank guarantees

The Company has outstanding bank guarantees issued by the banks on behalf of the Company as required in the normal course of business for guarantee as follows:

	(Unit: Million Baht)	
Bank guarantees for	2022	2021

29. Fair value hierarchy

As at 31 December 2022 and 2021, the Company had the assets that was measured at fair value by using different levels of inputs as follows:

(Unit: Million Baht)

As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets				
Unit trusts	27.1	98.8	-	125.9
Investments in debt securities	-	5.0	-	5.0
Investments in marketable securities	175.7	-	-	175.7
Other non-current financial assets				
Unit trusts	7.5	-	-	7.5
Investments in marketable securities	493.2	1.0	-	494.2
Investments in non-marketable securities	-	-	77.5	77.5
Assets for which fair value are disclosed				
Other non-current financial assets				
Investments in debt securities	-	110.5	-	110.5
Investment properties	-	13.3	3.6	16.9

(Unit: Million Baht)

As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets				
Unit trusts	26.9	49.8	-	76.7
Investments in debt securities	-	130.4	-	130.4
Investments in marketable securities	118.2	-	-	118.2
Other non-current financial assets				
Unit trusts	1.9	-	-	1.9
Investments in marketable securities	441.2	-	-	441.2
Investments in non-marketable securities	-	-	74.9	74.9
Assets for which fair value are disclosed				
Other non-current financial assets				
Investments in debt securities	-	94.3	-	94.3
Investment properties	-	17.1	1.5	18.6

30. Financial instruments

30.1 Derivatives

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally 6 months.

30.2 Financial risk management objectives and policies

The Company's financial instruments principally comprise of cash and cash equivalents, trade accounts receivable and investments. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Company manages the credit risk from balances with banks by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's

Market risk

The Company has price risk relating to purchase price of goods and materials. The Company closely monitors changes in their price to support purchasing plans.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk of the Company is still low.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	2022				
	Fixed interest rates			Floating interest rate	Effective interest rates
	Within 1 year	More than 1 to 5 years	More than 5 years		
					(% per annum)
Financial assets					
Cash and cash equivalents	6	-	-	26,084	0.13 - 0.45
Other current financial assets	5,000	-	-	-	0.70 - 0.75
Other non-current financial assets	1,500	76,000	33,000	-	2.65 - 7.10
Trade and other receivables	-	-	-	120,141	-
Financial liabilities					
Trade and other payables	-	-	-	59,706	-

(Unit: Thousand Baht)

	2021				
	Fixed interest rates			Floating interest rate	Effective interest rates (% per annum)
	Within 1 year	More than 1 to 5 years	More than 5 years		
Financial assets					
Cash and cash equivalents	6	-	-	35,393	0.05 - 0.50
Other current financial assets	40,089	87,044	3,271	-	0.45 - 2.85
Other non-current financial assets	25,000	59,000	33,000	-	2.65 - 5.70
Trade and other receivables	-	-	-	137,715	-
Financial liabilities					
Trade and other payables	-	-	-	98,109	-

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	286	598	96	206	34.29 - 34.73	33.15 - 33.59

Liquidity risk

The Company's current assets significantly exceed current liabilities. Moreover, the Company has access to sources of funding from bank overdrafts, short-term loans from banks. The Company's liquidity risk is therefore considered to be low.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities and derivative financial instruments as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	59,167	539	-	59,706
Lease liabilities	-	6,618	7,108	-	13,726
Total non-derivatives	-	65,785	7,647	-	73,432

(Unit: Thousand Baht)

As at 31 December 2021

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	96,978	1,131	-	98,109
Lease liabilities	-	5,893	12,340	-	18,233
Total non-derivatives	-	102,871	13,471	-	116,342

30.3 Fair values of financial instruments

Since the majority of the Company's financial instruments are carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

30.4 Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy.

(Unit: Thousand Baht)

	Investment in non-marketable equity securities
Balance as at 1 January 2021	65,438
Return of investments from the dissolution	(755)
Increase in fair value and recognised into other comprehensive income	10,171
Balance as at 31 December 2021	74,854
Disposed during the year	(256)
Increase in fair value and recognised into other comprehensive income	3,757
Balance as at 31 December 2022	78,355

In 2022 and 2021, key assumptions used in the valuation are summarised below.

Valuation technique	Significant unobservable inputs	Rates (%)		Sensitivity of the input to fair value
		2022	2021	
1) Discounted cash flows	Weighted average cost of capital (WACC)	8.02 - 11.49	5.52 - 8.89	1% increase in WACC would result in decreasing in fair value Baht 3.8 million. (2021: Baht 4.8 million). 1% decrease in WACC would result in increasing in fair value Baht 5.0 million. (2021: Baht 7.6 million).
2) Adjusted book value	Liquidity and minority discount	22.7 - 38.0	22.7 - 38.0	1% increase in liquidity and minority discounts would result in decreasing in fair value Baht 1.2 million. (2021: Baht 0.8 million). 1% decrease in liquidity and minority discounts would result in increasing in fair value Baht 1.3 million. (2021: Baht 1.1 million).

31. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2022, the Company's debt-to-equity ratio was 0.14:1 (2021: 0.16:1).

32. Event after the reporting period

On 23 February 2023, a meeting of the Company's Board of Directors passed a resolution to propose the dividend payment to shareholders of Baht 0.2 per share, or a total of Baht 19.2 million, from the Company's 2022 operating results. This will be proposed to the 2023 Annual General Meeting of the Company's shareholders for approval. Such dividend will be paid and recorded after being approved by the Annual General Meeting of the Company's shareholders.

33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2023.

Appendix

Part

4

Attachment 1. Details of Directors, Executives, Controlling Persons and Company Secretary
Details of Executives and Authorized Persons for the Year 2022

NAME	PG	RELATED COMPANIES										
		SPI	ICC	SPC	FE	TSG	CKC	Thai Bunka	S&J	OCC	Itokin	PAF
1. Mr. Boonkiet Chokwatana	X	/	x			X	X		x		x	x
2. Mr. Chailert Manaoonpol	/					/	/					
3. Mr. Viritpol Chaithavornsathien	//					/	/					
4. Mrs. Sunan Niyornaitham	//					/	/					
5. Mrs. Somporn Tiyaiboonsiri	/							/				
6. Mrs. Teerada Ambhanwong	/								/	//		
7. Mrs. Nuchanart Thammanomai	**											
8. Mrs. Chortip Pramoj Na Ayudhya	/											
9. Gen. Konechanart Chunnabhata	/											
10. Mr. Santi Bangor	**											
11. Mr. Khachornsakdi Vanaratseath	**			**	**							
12. Mrs. Kityaporn Chaithavornsathien	/				/							
13. Mr. Piranart Chokwatana	/											
14. Mrs. Sasivimol Kluyasritrakul	//											
15. Mrs. Nutchapunporn Sunthornwiset	//											
16. Mrs. Kalayanee Chantarapikul	//											
17. Mrs. Photchamarn Engkanisarn	//											
18. Mrs. Suvimol Charoensrichai	//											
19. Ms. Salinla Chalput	//											

X = President / = Director // = Executive Director ** = Audit Committee

1. PG: People’s Garment Plc. 6. TSG: Thai Sport Garment Co., Ltd. 11. Itokin: Thai Itokin Co., Ltd.
2. SPI: Saha Patana Inter-Holding Plc. 7. CKC: Sahacogen (Chonburi) Plc. 12. PAF: Pan Asia Footwear Co., Ltd
3. ICC: ICC Internation Plc. 8. Thai Bunka: Thai Bunka Fashion Co., Ltd.
4. SPC: Saha Pathanapibul Plc. 9. S&J: S&J International Enterprise Plc.
5. FE: Far East DDB Plc. 10. OCC Plc.

X = President / = Director // = Executive Director ** = Audit Committee

1. PG: People's Garment Plc.
2. SPI: Saha Patana Inter-Holding Plc.
3. ICC: ICC International Plc.
4. SPC: Saha Pathanapibul Plc.
5. FE: Far East DDB Plc.
6. TSG: Thai Sport Garment Co., Ltd.
7. CKC: Sahacogen (Chonburi) Plc.
8. Thai Bunka: Thai Bunka Fashion Co., Ltd.
9. S&J: S&J International Enterprise Plc.
10. OCC Plc.
11. Itokin: Thai Itokin Co., Ltd.
12. PAF: Pan Asia Footwear Co., Ltd

Details of Board of Directors and Executives

Name / Position	Age (Year)	Education	Shares holding*	Family Relationship between directors	Experiences in the Past 5 Years						
					Period	Position	Company				
1. Mr. Boonkiat Chokwatana Position : <ul style="list-style-type: none">• President• Chairman of Remuneration Committee• Chairman of Nomination Committee• Authorized Director Term of Office Director of the company 33 Years 8 Months	75	Honorary Doctorate Degree <ul style="list-style-type: none">• Business Administration (Management), Sripatham University• Administration College of Commerce, Burapa University• Business Administration, Faculty of Management and Information Science, Naresuan University Bachelor Degree <ul style="list-style-type: none">• Engineering, Worcester Polytechnic Institute, Massachusetts, USA Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Certification Program (DCP) Class of 41/2004• Director Accreditation Program (DAP) Class of 3/2003	2,790,000 Or 2.61%	<ul style="list-style-type: none">• Father of Mrs.Kityaporn Chaithavornsathien• Father-in-law of Mr. Viritpol Chaithavornsathien• Uncle Mrs.Teerada Ambhanwong	Listed Company	5 Companies					
					1980 - 2014	President and Chairman of Executive Committee	I.C.C. Internation PLC.				
					2015 - 2016	Chairman of Executive Committee	I.C.C. Internation PLC.				
					2016 - 2022	President and Chairman of Executive Committee	I.C.C. Internation PLC.				
					2022	President	I.C.C. Internation PLC.				
					1986 - Present	Director	Saha Pathana Inter-Holding PLC.				
					1993- Present	President	S&J International Enterprises PLC.				
					1994 - Present	President	People's Garment PLC.				
					2013 - Present	President	Pan Asia Footware PLC.				
					2016 - 2021	Director	Sahacogen PLC.				
Non-listed Companies					52 Companies						
Holding a Directorship in Related Companies :					5 Companies						
					President and Chairman of Executive Committee	I.C.C. Internation PLC.					
					Director	Saha Pathana Inter-Holding PLC.					
					President	Thai Sport Garment Co., Ltd.					
					President	Champ Kabin Co., Ltd.					
					President	Thai Itokin Co., Ltd.					
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time: - None -											
2. Mr. Chailert Manoonpol Position : <ul style="list-style-type: none">• Vice President• Member of Risk Management Committee• Authorized Director Term of Office Director of the company 37 Years 5 Months	63	<ul style="list-style-type: none">• Master of Science in Management ABILENE CHRISTIAN UNIVERSITY TEXAS U.S.A. Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Accreditation Program (DAP) Class of 3/2003	322,500 Or 0.34%	- None -	Listed Company	1 Company					
					1985 - 2015	Director	People's Garment PLC.				
					2016 - Present	Vice President	People's Garment PLC.				
					2011 - 2017	Executive Director/Director Division "S"	I.C.C. Internation PLC.				
					1987 - 2018	Director	OCC PLC.				
					Non-listed Companies		6 Companies				
					Holding a Directorship in Related Companies :		2 Companies				
							Managing Director	Thai Sport Garment Co., Ltd.			
							Managing Director	Champ Kabin Co., Ltd.			
					Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time: - None -						
3. Mr. Viritpol Chaithavornsathien Position : <ul style="list-style-type: none">• Company director• Chief Executive officer• Member of Nomination Committee• Member of Risk Management Committee• Member of Corporate Governance Committee• Nomination Committee• Authorized Director Term of Office Director of the company 6 Years 8 Months	52	<ul style="list-style-type: none">• Master of Science in Management ABILENE CHRISTIAN UNIVERSITY TEXAS U.S.A. Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Accreditation Program (DAP) Class of 3/2003	300,000 Or 0.31%	<ul style="list-style-type: none">• Husband of Mrs. Kityaporn Chaithavornsathien• Son in law of Mr. Boonkiet Chokwatana	Listed Company	1 Company					
					2016 - Present	Director	People's Garment PLC				
					2020 - Present	Managing Director	People's Garment PLC				
					Non-listed Companies		22 Companies				
					Holding a Directorship in Related Companies :		- None -				
					Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None-						

Name / Position		Age (Year)	Education	Shares holding*	Family Relationship between directors	Experiences in the Past 5 Years	
						Period	Position Company
4. Mrs. Sunan Niyomnaitham Position : <ul style="list-style-type: none">• Company director• vice chairman of Executive board• Chief Financial Officer• Member of Remuneration Committee• Member of Corporate Governance Committee• Authorized Director Term of Office Director of the company 36 Years 5 Months	64	<ul style="list-style-type: none">• Bachelor of Arts (Political Science), Public Finance Chulalongkorn University• Master of Public and Private Management Program National Institute of Development Administration (NIDA) Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Certification Program (DCP) Class of 27/2003• Roles of Compensation Committee Class of 1/2006 Training of Internal Audit and Control <ul style="list-style-type: none">• Chief Finance Officer (CFO) 3/2005	190,000 Or 0.20 %	- None -	Listed Company	1 Company	
					2016 - 2012	Director	
					2012 - Present	Deputy Managing Director	
					Non-listed Companies	2 Companies	
					Holding a Directorship in Related Companies :	2 Companies	
5. Mrs. Somporn Tiyaiviboonsiri Position : <ul style="list-style-type: none">• Company director• Member of Nomination Committee• Authorized Director Term of Office Director of the company 40 Years 5 Months	74	<ul style="list-style-type: none">• Master of Education in Teaching EMPORIA STATE UNIVERSITY KANSAS U.S.A Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Accreditation Program (DAP) Class of 3/2003• Director Certification Program (DCP) Class of 68/2005• Roles of Compensation Committee Class of 3/2007	855,300 Or 0.89%	- None -	Listed Company	1 Company	
					2012 - 2000	Director	
					2011 - 2012	Managing Director	
					2012 - Present	Director	
					Non-listed Companies	3 Companies	
6. Mrs. Teerada Ambhanwong Position : <ul style="list-style-type: none">• Company director• Authorized Director Term of Office Director of the company 23 Years 8 Months	52	<ul style="list-style-type: none">• Master of Business Administration (Executive) Sasin Graduate Institute of Business Administration Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Accreditation Program (DAP) Class of 3/2003 <ul style="list-style-type: none">• Director Certification Program (DCP) Class of 51/2004	224,550 Or 0.23%	Niece of Mr. Boonkiet Chokwatana	Listed Company	4 Companies	
					1999 - 2006	Member of Audit Committee	
					2006 - Present	Director	
					2008 - Present	Chairman of Executive Committee and Managing Director	
					Chairman of the Risk Management Committee	People's Garment PLC.	
7. Mrs. Nuchanart Thammanomai Position : <ul style="list-style-type: none">• Independent director• Audit Committee Term of Office Director of the company 23 Years 8 Months	71	<ul style="list-style-type: none">• Bachelor of Laws, Thammasat University Training of Thai Institute of Directors <ul style="list-style-type: none">• Director Accreditation Program (DAP) Class of 3/2003	- None -	- None -	Listed Company	2 Companies	
					2001 - Present	Director	
					2002 - Present	Member of Audit Committee	
					Non-listed Companies	Bangkok Rubber PLC.	
					Holding a Directorship in Related Companies :	People's Garment PLC.	
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -		Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -		Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -		Non-listed Companies	2 Companies
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -		Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -		Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -		Holding a Directorship in Related Companies :	- None -

Name / Position	Age (Year)	Education	Shares holding*	Family Relationship between directors	Experiences in the Past 5 Years		
					Period	Position	Company
8. Mrs. Chortip Pramroj Na Ayudhya Position : <ul style="list-style-type: none">Independent directorMember of Remuneration CommitteeMember of Nomination Term of Office Dircor of the company 20 Years 8 Months	71	<ul style="list-style-type: none">Bachelor of Art (Management) Kirik UniversityTraining of Thai Institute of DirectorsDirector Accreditation Program (DAP) Class of 11/2004Audit Committee Program 19/2007	10,000 Or 0.01%	- None -	Listed Company	1 Company	
					2002 - 2006	Director	People's Garment PLC.
					2006 - 2008	Member of Audit Committee	People's Garment PLC.
					2009 - Present	Director	People's Garment PLC.
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -					Non-listed Companies	1 Company	
					Holding a Directorship in Related Companies :		- None -
9. Gen. Konechamart Chunnabhata Position : <ul style="list-style-type: none">Independent directorChairmand of Risk Management Committee Term of Office Director of the company 13 Years 8 Months	75	<ul style="list-style-type: none">National Defence Studies Institute: Supreme Command Thailand National Defence College (TNDC)National Defence Studies Institute Joint Staff CollegeRoyal Thai Army Education,Royal Thai Armed Forces Academy	- None -	- None -	Listed Company	1 Company	
					2009 - 2010	Audit Committee	People's Garment PLC.
					2010 - Present	Independent director/ Chairman of Risk Management Committee	People's Garment PLC.
					Non-listed Companies		- None -
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time: - None -					Holding a Directorship in Related Companies :		- None -
10. Mr. Santi Bangor Position : <ul style="list-style-type: none">ndependent directorChairman of Corporate Governance CommitteeAudit Committee Term of Office Director of the company 13 Years 8 Months	76	<ul style="list-style-type: none">Bachelor of Arts (Political Science), Public Finance Chulalongkorn UniversityMaster of Agricultural and Applied Economics Texas Tech University, USA.Graduate Diploma in Development Cambridge University, United KingdomThailand National Defence College (TNDC Class of 38)Thailand National Defence College (TNDC Class of 38)Training of Thai Institute of DirectorsDirector Certification Program (DCP)12/2001Role of the Compensation Committee Program (RCC) 16/2013Monitoring Fraud Risk Management (MFM) 9/2013Monitoring the System of Internal Control and Risk Management (MIR) 14/2013Monitoring the Internal Audit Function (MIA) 14/2013Monitoring the Quality of Financial Reporting (MFR) 17/2013Audit Committee Program (ACP) Class of 42/2556Professional Council under the Royal PatronageAudit Committee Seminar - Get Ready for the Year End 2015	54,100 Or 0.06%	- None -	Listed Company	2 Company	
					2009 - 2010	Director	People's Garment PLC.
					2010 - Present	Independent director /Audit Committee	People's Garment PLC.
					2013 - Present	Independent director / Chairmand of Corporate Governance	People's Garment PLC.
					2012 - Present	Independent director / Chairmand of Corporate GovernanceCommittee Audit Committee	Thoresen Thai Agencies PLC.
					2016 - Present	Chairman of Remuneration Committee Subcommittee for preparation of agreements and evaluation of State enterprise operations in Public utility for Industrial and Commercial	Ministry of Finance
					2017- Present	Subcommittee on Performance Evaluation of State Enterprises public utility branch and the field of society and technology	Ministry of Finance
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -					Non-listed Companies		1 Company
					Holding a Directorship in Related Companies :		- None -
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -							

Name / Position		Age (Year)	Education	Shares holding*	Family Relationship between directors	Experiences in the Past 5 Years			
						Period	Position	Company	
11. Mr. Khachornsakdi Vanaratseath Position : <ul style="list-style-type: none">Independent directorChairman of Audit Committee Term of Office Director of the company 5 Years 8 Months	75	<ul style="list-style-type: none">Master of Accountancy, Western Illinois University, U.S.A.Bachelor of Accountancy, Chulalongkorn UniversityGraduate Diploma in Accounting Certificate Program (Auditing) Chulalongkorn University Training of Thai Institute of Directors <ul style="list-style-type: none">Director Accreditation Program (DAP) 3/2003	- None -	- None -	Listed Company	3 Companies			
						1996 - Present	Independent Director and Audit Committee	Saha Pathanapibul PLC.	
						1993 - 2017	Independent Director and Chairman of Audit Committee	S&J International Enterprises PLC.	
						2002 - Present	Independent Director and Chairman of Audit Committee	Fareast DDB PLC.	
						2017 - Present	Independent Director and Chairman of Audit Committee	People's Garment PLC.	
Non-listed Companies							1 Company		
Holding a Directorship in Related Companies :							- None -		
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None-									
12. Mrs. Kityaporn Chaithavornsathien Position: <ul style="list-style-type: none">Company directorMember of Remuneration CommitteeAuthorized Director Term of Office Director of the company 2 Years 5 Months	48	<ul style="list-style-type: none">Bachelor of Business Administration Thai Institute of Directors AssociationDirector Certification Program (DCP)154/2011	626,133 Or 0.65 %	- Daughter of Mr.Boonkiet Chokwatana - Wifa of E133 Mr. Viritpol Chaithavornsathien	Non-listed Companies	2 Company			
						November 2020 - Present	Director	People's Garment PLC.	
						2021 - Present	Director	Fareast DDB PLC.	
						Non-listed Companies			19 Companies
						Holding a Directorship in Related Companies :			- None -
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time : - None -									
13. Mr. Piranart Chokwatana Position : <ul style="list-style-type: none">Company directorAuthorized Director Term of Office Director of the company 8 Months	61	<ul style="list-style-type: none">Bachelor of Engineering, Chemical Engineering (First Class Honors, Gold Medal), Chulalongkorn University)Master of Business Administration (MBA) Thammasat UniversityMaster of Engineering in Chemical Engineering MS (Chem. Eng) California Institute of Technology Thai Institute of Directors AssociationDirector Certification Program (DCP) 302/2021	1,444,300 Or 1.50%	- Nephew of Mr. Boonkiet Chokwatana	บริษัท ดยเนชั่น	1 Company			
						2018 - Present	Director	SG Capital Plc.	
						2022 - Present	Director	People's Garment PLC.	
						Non-listed Companies			16 Companies
						Holding a Directorship in Related Companies :			- None -
Holding any position in a company or other companies in the past year that has significantly effected to dedicated working time: : - None -									
14. Mrs. Sasivimol Kluyasritrakul Position : <ul style="list-style-type: none">Executive directorManager, Accounting-Finance	62	<ul style="list-style-type: none">Bachelor of Accountancy, Ramkhamhaeng UniversityTax Controller Major in General Business School of Tax Training of Internal Audit and Control <ul style="list-style-type: none">Chief Finance Officer (CFO) 12/2009	33,000 Or 0.03%	- None -	Listed Company	1 Company			
						2003 - 2012	Division Manager, Accounting and Finance	People's Garment PLC.	
						2012 - 2021	Assistant Manager, Accounting and Finance Department		
						2021 - 2022	Manager, Accounting and Finance Department		
						2022 - Present	Manager, Finance Department		
Non-listed Companies							- None-		
Holding a Directorship in Related Companies :							- None -		

Name / Position	Age (Year)	Education	Shares holding*	Family Relationship between directors	Experiences in the Past 5 Years		
					Period	Position	Company
15. Mrs.Nutchapunpoom Sunthornwiset Position : • Executive director • Manager, Business Division	57	• Bachelor of Business Administration (Marketing) Bangkok University	14,000 Or 0.015%	- None -	Listed Company	1 Company	1 Company
					2003 - 2006	Assistant Division Manager, (Business)	People's Garment PLC.
					2006 - 2021	Manager (Business)	
					2021 - Present	Division Manager (Business)	
16. Mrs.Kalayanee Chantarapikul Position : • Executive director • Manager, Purchasing Division	58	• Master of Business Administration (Marketing), Chulalongkorn University	11,000% Or 0.01%	- None -	Non-listed Companies	- None -	- None -
					Holding a Directorship in Related Companies :	- None -	- None -
					Listed Company	1 Company	1 Company
					2006 - 2011 2011 - 2021 2022	Assistant Division Manager, (Purchasing) Manager (Purchasing) Division Manager (Purchasing)	People's Garment PLC.
17. Mrs. Photchamarn Engkanisarn Position : • Executive director • Manager, Business Division	56	• Master of Business Administration (Marketing), Chulalongkorn University	63,000 Or 0.06 %	- None -	Non-listed Companies	- None -	- None -
					Holding a Directorship in Related Companies :	- None -	- None -
					Listed Company	1 Company	1 Company
					2006 - 2011 2011 - 2021 2021 -Present	Assistant Division Manager, (Business) Manager (Business) Division Manager (Business)	People's Garment PLC.
18. Mrs.Suvimol Charoensrichai Position : • Company Secretary • Executive director • Member of Risk Committee • Member of Corporate Governance Committee	59	• Bachelor of Management Bansomdejchaopraya Rajabhat University • MINI MBA, Chulalongkorn University Training of Thai Institute of Directors • Company Secretary Program (CSP) 7/2004 • Effective Minute Talking (EMT) 7/2007 Faculty of Law, Chulalongkorn University • Laws and Practices For Company Secretary #2	73,767 Or 0.09 %	-None -	Non-listed Companies	- None -	- None -
					Holding a Directorship in Related Companies :	- None -	- None -
					Listed Company	1 Company	1 Company
					2008 - Present 2004 - 2021 2011 - 2021 2021 - Present	Company Secretary Department Manager Division Manager Executive Director / Share Registrar Manager / Human Resource Manager	People's Garment PLC. People's Garment PLC. People's Garment PLC. People's Garment PLC.
19. Ms. Salinla Chaiput Position : • Executive director • Manager, Accounting Division	50	• Bachelor of accounting Bansomdejchaopraya Rajabhat University	2,333 Or 0.0024 %	- None -	Non-listed Companies	- None -	- None -
					Holding a Directorship in Related Companies :	- None -	- None -
					Listed Company	1 Company	1 Company
					2017 - 2021 2021 - Present	Assistant Manager, Accounting- Financial Division Manager, Accounting	People's Garment PLC.
					Non-listed Companies	1 Company	1 Company
					Holding a Directorship in Related Companies :	- None -	- None -

Remark : * Included spouse and children who have not yet become sui juris.

Forbidden Qualifications

1. No record of lawbreaking about wealth which is dishonest.
2. No record of being in conflict provided an interest of the company in the year 2022

Offenses Record of the Directors, Managements and Controlling Parties

There is no offenses record of the directors, managements and controlling parties during the past 5 years regarding the violation of the Securities or the Derivatives Act B.E. 2546 (2003), only in the following offenses:

Exchange Act B.E. 2535 (1992)

1. To act in bad faith or gross negligence;
2. To disclose or publish information or false statements which may mislead any person or concealing material facts which may affect the investment-making decisions of the shareholders, investors or other related persons.
3. Unfair practices or exploitation in connection with securities trading or derivatives transactions, or have ever been involved in or supported such actions.

Qualifications of the Highest responsible person responsible in the field of accounting and finance (“CFO”) and; Persons assigned to be directly responsible for overseeing bookkeeping (“Accountant”)

Brief Profile : highest responsible person in accounting and finance (“CFO”)

Name-Surname	Mrs. Sunan Niyomnaitham	Age 64 Year old / Thai Nationality
Position in the company	<ul style="list-style-type: none">- Company Director- Deputy Managing Director- Member of Remuneration Committee- Member of Corporate Governance Committee- Chief Financial Officer	
Date of being appointed as “CFO	11 May 2010	
Education	<ul style="list-style-type: none">- Bachelor of Political Science in Finance, Chulalongkorn University- Master’s degree in Public and Private Management, National Institute of Development Administration	
Work experience	1986 – 2012	Director People’s Garment Plc.
	2012 – Present	Vice chairman of the Executive Board Chief Financial Officer People’s Garment Plc.
Training from the Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none">- Director Certification Program (DCP)27/2003- Roles of Compensation Committee 1/2006 Training of Internal Audit and Control <ul style="list-style-type: none">- Chief Finance Officer (CFO) 3/2005	
Training for continuous knowledge development in accounting :		
Thai Listed Companies Association	TLCA CFO CPD No. 2/2022 “Economic Update for CFO”	
	TLCA CFO CPD No. 3/2022 “PDPA for Accounting and Finance”	
	TLCA CFO CPD No. 6/2022 “The role of the CFO in corporate sustainability”	
	TLCA CFO CPD No. 8/2022 “ESG Bonds in Corporate Financing”	
EY Office Company Limited	New merger law opportunities and new forms of mergers and acquisitions	
	Summary of the main principles of Thai Financial Reporting Standards for Non-Public Interest Entities, revised 2022	
	The Challenge of Transfer Pricing after COVID-19 , Intensity in Government Audit and readiness in the business sector	
	CFO’s Challenges with Financial Reporting in the Age of Economic Fluctuations	
	Issues of sustainable business operations that businesses should pay attention to	
	Financial and ESG Reporting - IPO Focus, Focusing on Financial and ESG Reporting for IPO	
	Summary of Key Points The amendment of the draft financial reporting standards for businesses with no public interest	
	Digital assets tax update	

Brief Profile : Persons assigned to be directly responsible for overseeing bookkeeping ("Accountant")

Name-Surname	Mrs. Sasivimol Kluyasritrakul	Age 62 Year old / Thai Nationality
Position in the company	<ul style="list-style-type: none">- Executive Director- Assistant Manager, Accounting & Financial Dept.	
Date of being appointed as “Accountant”	11 May 2010	
Education	<ul style="list-style-type: none">- Bachelor’s degree in Accounting, Ramkhamhaeng University- Diploma of the Board of Tax Administrators for general business from the tax school	
Work experience	2003 – 2012 Manager Accounting & Financial Dept. People’s Garment Plc. 2012 –Present Asst. Manager Accounting & Financial Dept. People’s Garment Plc.	
Training from the Thai Institute of Directors Association (IOD)	Training of Internal Audit and Control <ul style="list-style-type: none">- Chief Finance Officer (CFO) 12/2009	
Training for continuous knowledge development in accounting :		
EY Office Company Limited	New merger law opportunities and new forms of mergers and acquisitions	
	Summary of the main principles of Thai Financial Reporting Standards for Non-Public Interest Entities, revised 2022	
	The Challenge of Transfer Pricing after COVID-19 , Intensity in Government Audit and readiness in the business sector	
	CFO’s Challenges with Financial Reporting in the Age of Economic Fluctuations	
	Issues of sustainable business operations that businesses should pay attention to	
	Financial and ESG Reporting - IPO Focus	
	Summary of Key Points The amendment of the draft financial reporting standards for businesses with no public interest	
	Digital assets tax update	
By Accounting Association of Kasetsart University	Important issues for the improvement of NPAEs standards that will be enforced in 2023	
	Insight into comprehensive tax issues that the accountant and accountants should not miss	
by Saha Group Accounting and Finance Management Club	VAT in the whole system	

Brief Profile : Company Secretary

Name-Surname	Mrs. Suvimol Charoensrichai	Age 59 Year old / Thai Nationality
Position in the company	<ul style="list-style-type: none"> - Company secretary - Executive Director - Manager of Stock registration and Personnel 	
Date of being appointed as “Company Secretary”	5 September 2008	
Educataotn	<ul style="list-style-type: none"> - Bachelor’s degree in General Management Bansomdetchaopraya Rajabhat University - MINI MBA, Chulalongkorn University 	
Training from the Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> - Company Secretary Program (CSP) 7/2004 - Effective Minute Talking (EMT) 7/2007 	
Other training related to the performance of duties	Faculty of Law, Chulalongkorn University <ul style="list-style-type: none"> - Laws and Practices For Company Secretary Class No. 2 (Laws and Practices For Company Secretary) 	

Duty and Responsibility of Secretary

The Company Secretary is responsible for performing duties as defined in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. caution and honesty as well as to comply with the law, objectives, articles of association, resolutions of directors, as well as resolutions of the shareholders’ meeting.

According to the Securities and Exchange Act (No. 4) B.E. 2551, the Board of Directors must provide a company secretary, Responsible for performing duties as required by law on behalf of the company or the Board of Directors. The company secretary plays an important role in effective coordination inside and outside, The Board of Directors has therefore appointed:-

Mrs. Suvimol Charoensrichai was the company secretary on September 5, 2008 and passed the Company Secretary Program (CSP) 7/2004, which is a course related to the duties of a company secretary from the Thai Institute of Directors Association (IOD) and has also served as an Executive Director Details appear in “Details of Directors and Executives No. 18”

Composition and Qualification

1. Having basic knowledge in the principles of laws and regulations of regulatory agencies in relation to the law of public limited companies, Securities and Exchange Law.
2. Having knowledge and Understanding of Good Corporate Governance Principles and good practice on corporate governance
3. Having Knowledge of the company’s business and good communication skills

Define the scope of duties and responsibilities as follows:

The Company Secretary has duties and responsibilities as follows:

1. Giving preliminary advice to directors regard to laws, regulations, rules and measures that the Board of Directors should know and follow and monitor to ensure proper and consistent practice including reporting significant changes to directors
2. Organize the general meeting of shareholders and meeting of the Board of Directors in accordance with the law related to Articles of Association and related practices

3. Record the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting as well as following up to ensure compliance with the resolutions of the shareholders' meeting and the Board of Directors' meeting.
4. Communicate with relevant regulatory agencies such as the Securities and Exchange Commission; supervise the disclosure of information and reports of relevant information in accordance with the rules and regulations of the SEC and the Stock Exchange of Thailand.
5. Coordinate between the Company's directors and the management and supporting the implementation of good corporate governance principles to comply with the regulations and announcements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission and the Capital Market Supervisory Board.
6. Ensuring that the Board of Directors and Executives perform their duties properly and carefully by taking into account the rights of shareholders and fair treatment to shareholders.
7. Prepare and maintain important documents
 - Register of Directors
 - Noticed to the Board of Directors' Meeting / Minutes of the Board of Directors' Meeting
 - Noticed to the Shareholders' Meeting / Minutes of the Shareholders' Meeting
 - Report of information to be in accordance with the laws and related regulations.
 - Annual report and data form 56-1
8. Keeping report of stakeholder which is reported by directors or executives and provide a copy of the report of Stakeholder under section 89/14 to the chairman of the committee and the chairman of the audit committee within 7 working days from the date that the company receives the report.
9. Arrange an orientation and giving advice to newly appointed directors
10. Perform other actions as announced by the Capital Market Supervisory Board.

In addition, the Company Secretary has other duties as assigned by the Board of Directors as follows:

- Responsible for arranging meetings of the Board of Directors and shareholders' meetings
- Liaise with departments within the company to comply with the resolutions of the Board of Directors and Resolution of the shareholders' meeting
- Ensuring that the Board of Directors and executives perform their duties properly and carefully by taking into account the rights of shareholders and fair treatment to shareholders
- Arrange an orientation Giving advice to newly appointed director
- Other duties as assigned by the company

In this regard, the work of the company secretary has consisted of knowledgeable officers

- Field of Law
- Field of Accounting, in the view of Audit

Having passed training courses related to the duties of the company secretary from the Thai Listed Companies Association

Support to work more efficiently and promoting knowledge and understanding on good corporate governance for directors, executives and employees, including being entrusted to take care of the corporate image. It is like being the Supervise Unit of the organization (Compliance Unit).

In the case of a company that operates its main business by holding shares in other companies

- None -

Attachment No. 2 Details of Subsidiary 's Directors

- None -

Attachment No. 3 Details about the supervisor, internal auditor, and Head of Compliance

The Board of Directors has assigned the Audit Committee to be responsible for reviewing the Company's to have internal control system adequately, and be suitable for business operation and efficiency in operation. Moreover, it must be reported to the Board of Directors and shareholders. and setting up an internal audit unit separated into one unit of the company, there is a Hierarchy of command directly to the Audit Committee.

1. Head of Internal Audit

1.1 Person assigned to work as the head of internal audit

Ms. Warassara Bunchujaras	Secretary of the Audit Committee
	Taking a position of Head of Internal Control

1.2 Education Profile

Bachelor's degree, Bansomdetchaopraya Rajabhat
University, Majoring General Management

1.3 Working Experience and Training

2021 – Present	Head of Internal Control Unit
2014 - 2021	Internal Audit Officer
1994 – 2013	Accounting Officer

1.4 Duties and Responsibilities of the Head of Internal Audit

Responsibility : Reviewing the assess adequacy, Suitability, and efficiency of the internal control system. Having audit standards and there is sufficient independence by giving suggestions for improvement to create value-added to the organization and support the company's corporate governance process.

In 2022, the Audit Committee has performed duties as assigned by the Board of Directors completely and adequately. There is an internal audit unit as a tool to support the mission accomplishment. The internal auditors are qualified to perform their duties appropriately. The results of the internal control system assessment were reported on issues that need to be corrected to the auditors and related agencies, including appropriate recommendations as the management deems necessary for the Company's business operations and presented to the Board of Directors to be considered in the Board of Directors' meeting every quarter.

The internal audit will report the results of the assessment and review the internal control system to the Audit Committee every quarter and in 2022, the Audit Committee held 5 meetings and reported the results to the Board of Directors every quarter. Moreover, the Audit committee has reported related to comment on the adequacy of the internal control system and risk management system of the company in the annual report titled "Corporate Governance Report of the Audit Committee".

Attachment No 4 Assets used in business operations

4.1 The Company's fixed assets as of December 31, 2022 are as follows:

1. Lands

Location	SIZE			Nature of Proprietary	Net Book Price (ML.)	Obligation
	RAI	NGAN	SQM.			
Lumphum	42	2	49.10	Owned	9.31	No obligation
Kabinburi	9	-	104	Owned	8.33	No obligation
Chachoengsao	7	1	22	Owned	24.63	No obligation
Total					42.27	

2. buildings and structures

Location	SIZE	Nature of Proprietary	Net Book Price (ML.)	Obligation
Lumphun	Building	Owned	4.04	No obligation
Kabinburi	Building	Owned	21.25	No obligation
Chachoengsao	Building	Owned	1.0	No obligation
Petchburi	Condominium	Owned	7.03	No obligation
Nakhon Ratchasima	Building	Owned	9.18	No obligation
กรุงเทพฯ	Building (5 Floors)	Rent		
Total			42.50	

3. Machinery and equipment

Nature of Property	Nature of Proprietary	Number of Machine	Net Book Price (ML.)	Obligation
Machinery and equipment	Owned	1,137	8.57	No obligation
Knitting Machine	Owned	50	-	No obligation
Total		1,187	8.57	

4. Important intangible assets

Licensed Trademark	Counterparties
ELLE	It is a contract between People's Garment Public Company Limited and Saha Pathana Inter Holding Public Company Limited, which will expire in 2026. (Payment of ROYALTY on a monthly basis)

Attachment No.5 Corporate Governance Policy and Practice, and Business Ethics

Corporate Governance Policies

The Board of Directors thereby prescribed the following governance policies as a practice guideline for the Company directors, Executive Officers and all employees.

1. Company Directors, Executive Officers and all employees are fully committed to the application of governance principles, business ethics and Codes of Conduct for Company Directors, Executive Officers and employees to Company operations.
2. Company Directors, Executive Officers and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committee and Executive Officer.
4. An internal control system shall be installed and risks shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment
8. Adhering to business excellence by committing to create satisfaction for customers by paying attention to listen and review ourselves to increase potential of management and always create the best thing.
9. To cultivate morals and ethics, creating good conscience along with treating employees with fairness and strive to continuously develop and upgrade their capabilities.
10. Focusing on Anti-corruption and not to infringe on intellectual property including respecting to the law and human rights.
11. Treating conflicts of interest with prudence and reason by taking into account advantage of the company as priority.

The company has disclosed the “Good Corporate Governance Principles” in full version.

which consists of

- Principles of Good Corporate Governance
- Good Corporate Governance Policy
- 8 principles of good corporate governance
- Business Ethics
- Code of conduct for company directors, executives and employees



On the company website www.pg.co.th under the topic “Good Corporate Governance”
http://www.pg.co.th/webpg/app/front/profile/governance_principles.php

Attachment No. 6

- **Governance Report of the Audit Committee**
- **Report of Risk Management Committee**
- **Report of the Corporate Governance Committee**
- **Report of the Nominating Committee**
- **Report of the Remuneration Committee**
- **The Board of Directors' Responsibility
Report towards Financial Statements**
- **Report of The Executive Board**

Governance Report of the Audit Committee

The Audit Committee of People's Garment Public Company Limited consists of 3 independent directors namely as below:-

- | | | |
|----------------------|--------------|---------------------------------|
| 1. Mr. Khachornsakdi | Vanaratseath | Chairman of the Audit Committee |
| 2. Mrs. Nuchanart | Thammanomai | Member of the Audit Committee |
| 3. Mr. Santi | Bangor | Member of the Audit Committee |

They were appointed by the Board of Directors meeting, was and approved by the annual general meeting of shareholders according to the agenda for the election of directors. The Audit Committee members are fully qualified according to the regulations of the Stock Exchange of Thailand. He is qualified and has experience in accounting, finance, law, economics and management.

The whole Audit Committee has duties and responsibilities in accordance with Audit Committee Charter. The Audit Committee has functions and responsibilities as stated in the Charter of the Audit Committee as guideline to perform duties clearly. The Audit Committee regularly reviewed the charter of the Audit Committee and the Internal Audit Department's charter for the year. Moreover, there is supervision the internal audit department to perform its duties adequately according to the scope of duties and responsibilities of the Audit Committee Completely which is comply with the regulations of the Stock Exchange of Thailand

The Audit Committee performed duties independently with due regard to good governance. The Audit Committee's functions are to oversee that the Internal Auditor fully performs duties and to promote the transparent administration of the Company, adherence to codes of conduct, sustainable business operations, building trust of shareholders and all stakeholders. The internal audit completely performs its duties according to the rules and charters. It is also support the management of company so that all processes are in accordance with the appropriate procedures and operate business with transparency to be compliance with regulations of the Stock Exchange of Thailand and Securities and Exchange Commission and other related laws. The Audit Committee held 5 meetings according to the agenda of the 2022 Audit Committee Meeting with the following key points:

- **Review of financial statements**

The Audit Committee review the financial reports for the quarterly period and the year 2022 by considering the report of the analysis of the Company's financial statements together with the accounting department and the Company's auditor in the important matters, questions were asked and reasons were clarified by the management. There was no information that was inconsistent with matter of facts, such financial statements have been prepared in accordance with generally accepted accounting principles and accounting standards. The Company complies with the regulations of the Stock Exchange of Thailand and related laws, information was disclosed in the notes to financial statements that were accurate and complete. The auditor's report expressed an unqualified opinion, The Audit Committee approved the financial report in order to present to the Board of Directors for further approval.

- **Review of connected transactions**

Reviews have been carried out of connected transactions in quarters 1st, 2nd and 3rd as well as in the Annual Report of 2022 to ensure that the transactions were conducted in the normal course

of business. There is a request for approval for the credit limit of the type of connected transaction according to the requirements of the SET which is operated in a transparent manner and it is beneficial to the company with free from any conflicts of interest and they are clear and fairly, The quarterly reports were submitted to the Audit Committee for approval prior to submission to the Board of Directors.

Regarding the connected transaction for 2023, the transaction is in form of proposal, the principles and monetary limits of connected transactions were approved by a resolution of the Board of Directors in meeting number 5/2022 on 22nd December 2022.

- **Review of internal control efficiency**

The Audit Committee supervised the performance of the Internal Auditor and promoted independent functioning. Furthermore, a charter for internal control was provided in line with the duties and responsibilities of the Audit Committee. This charter is reviewed annually. The internal audit division conducted evaluations and monitored the performance of internal controls of important activities to ensure proper performance of functions and administration, and to prevent risk of loss to the Company and it is reported directly to the audit committee.

The Audit Committee annually considers the internal audit plan to ensure the effectiveness of the internal audit activity. By supporting the administration and the operations of the company, the plans are within the framework of the internal control system with transparency and it complies with the regulations of the Stock Exchange, Anti-Corruption Policy, and relevant legal requirements.

The Audit Committee found that the Company's internal control system in 2022 were sufficient. The company has reviewed the organizational structure. Process improvement To be suitable for business Reporting results of corrective audits Suggestions have been implemented. The Audit Committee has a meeting with management on important matters to find ways to improve, correct and develop the work system to be efficiency and benefit to the company.

- **Reviews of compliance with laws and regulations of the Stock Exchange of Thailand**

The company completely operates business in complies with the rules of Securities and Exchange regulations, Securities and Exchange Commission, and other relevant laws. The Audit Committees of the opinion that the Company's business operations are in compliance with adequate and appropriate requirements.

- **Appointment of auditors and audit fee for 2023**

The Audit Committee considered the appointment of an auditor for the year 2023. EY Auditors Office was nominated as the Company Auditor for another term. Such auditor possessed the qualifications pursuant to the regulations of the Stock Exchange of Thailand and had fully complied with auditing standards when performing audits. As a consequence, it was proposed that nominations be made for the appointment of Mrs. Orawan Techawattanasirikul certified public accountant registration number 4807, and/or Mrs. Kingkarn Asawarangsarit, certified public accountant registration number 4496, and/or

Ms. Pimjai Manitkajornkit certified public accountant registration number 4521, and or Ms. Rossaporn Dej-akhom certified public accountant registration number 5659, and/or Ms. Sumana Punpongsanon certified public accountant registration number 5872, and/ or Ms. Kirdsiri Kajanaprakasit certified public accountant registration number 6014 as auditors for the year ending 31st December 2023. The quarterly audit fee was 170,000.00 baht, for 3 quarters, a total of 510,000.00 Baht in quarterly audit fees. The fee for auditing the annual account was 870,000 baht, or a total of 1,380,000.00 baht, which is increased by 9.52%, excluding other examination service fees. It was therefore submitted to the 2023 Annual General Meeting of Shareholders.

- **Summary of Audit Committee performance**

In 2022, The Audit Committee held a total of 5 meetings. Sufficient members of the Audit Committee were present at every meeting to constitute a quorum. The Audit Committee considered important agenda items, in particular, giving opinions on the accuracy, comprehensiveness and reliability of financial statements, reviews of connected transactions, compliance with regulations of the Stock Exchange of Thailand and relevant laws, reviews on the sufficiency of internal control systems, assessments of internal control performance, including reviews of the workforce of internal auditors and approval of the annual internal audit plan.

The Audit Committee has performed duties with caution, prudence and independence in the review of the management's administration. The Audit Committee promotes the Board of Director's compliance with regulations of the Stock Exchange of Thailand and preserves the greatest benefits of shareholders and stakeholders in accordance with good governance principles. The Audit Committee Recommend the Internal Audit Department to establish the work plan and perform internal audit to support the management according to the Company's objectives in comply with important accounting policies, Anti-Corruption Policy to make the transparent administration, honesty, and integrity.

On behalf of the Audit Committee



(Khachornsakdi Vanaratseath)

Chairman of the Audit Committee

Report of Risk Management Committee

Risk Management Committee of the year 2022 consists of:-

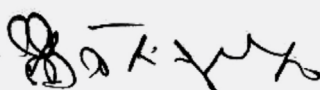
1.	Gen. Konecharnart Chunnabhata	Independent Director / Chairman of Risk Management Committee
2.	Mr. Chailert Manoonpol	Director
3.	Mr. Viritpol Chaithavornsathien	Director
4.	Mrs. Sasivimol Kluyasritrakul	Director
5.	Mrs. Suvimol Charoensrichai	Director
6.	Ms. Salinla Chaiput	Director
	Ms. Chapaon Srisuntisuk	Secretary

In 2022, the Risk Management Committee performed its duties as assigned by the Board of Directors and the Risk Management Committee Charter, it is responsible for setting and reviewing policies, goals, and risk management framework of the whole organization to be suitable for the business operations of the company and to be in line with the business strategy and there is a meeting every quarter to follow up and assess risks. The results of duties are summarized as follows:

- Follow up and review operational strategies in the midst of economic, social, and political crises, which have caused both internal and external risks to business operations in the past industry sectors. Especially the textile and garment industry has to face such situations inevitably, the management has integrated resources available in all production lines and implement marketing strategy adjustments to maintain the status of the organization to be able to drive the business efficiently for the greatest benefit to the shareholders, who are like the true owners of the business.

- To evaluate / analyze all aspects of corporate risk with factors that change every quarter including assessing the risk of fraud and corruption every quarter. In this regard, the management can manage the operating results efficiently especially in key parts that express profit and loss (basic) in each quarter. The management considers the adjustment of the marketing plan in accordance with the economic situation in a concrete way. It makes the balance sheet report to the shareholders at the annual general meeting, the comprehensive income per share was higher in the last quarter which is able to pay dividends according to the specified criteria, which is considered an achievement in the management of the organization.

However, the organization still faces various factors that may cause high risk impacts. Of the factors that play a part in international politics, tensions remain. May have an impact on risk factors that may be involved, such as the free trade system, etc., which are not yet clear. Therefore, the situation must be monitored. to further integrate risk management

Gen. 

(Gen. Konecharnart Chunnabhata)
Chairman of the Risk Management Committee

Report of the Corporate Governance & Sustainable Development Committee

Corporate Governance Committee of People's Garment Public Company Limited consists of 3 Company Directors and 1 Executive Director, as follows:

1. Mr. Santi	Bangor	Independent Director/Chairman of the Corporate Governance Committee
2. Mr. Viritpol	Chaithavornsathienom	Member/Director
3. Mrs. Sunan	Niyomnaitham	Member/Director
4. Mrs. Suvimol	Charoensrichai	Member (Director) / Secretary

The Board of Directors recognizes the importance of good corporate governance, which is the fundamental for the development of an organization to be stable and sustainable. Therefore, the Board of Directors' Meeting No. 5/2022 held on December 22, 2022 resolved to approve the amendment to the Corporate Governance and Sustainable Development Committee Charter and change to Corporate Governance and Sustainable Development Committee.

In 2022, the Corporate Governance and Sustainable Development Committee held 2 meetings which were in accordance with the requirements of the charter and the meeting plan; moreover, the results of the meetings were reported to the Board of Directors continuously. which summarizes the key points as follows:

1. Review the Corporate Governance Policy, business ethics, Code of Conduct, management and staff, and the Board of Directors' charter in order to comply with the rules of the Securities and Exchange Commission Stock Exchange of Thailand and Criteria for Corporate Governance Assessment.

2. Review the Charter of the Corporate Governance Committee to be in line with business operations that are responsible for society, communities and the environment for sustainable growth, therefore, the board has approved the amendment to the Corporate Governance and Sustainable Development Committee Charter to cover two dimensions, both corporate governance and sustainable development. and repeal the Charter of the Corporate Governance Committee dated 14 August 2013

3. Corporate Governance Committee and Management Organized a special lecture on the topic of "Expanding the Anti-Corruption Alliance" to create standards for transparent business practices" on Tuesday, August 9, 2022, with the Corporate Governance Committee / executives / procurement agencies and business partners attending the seminar and participated in the review of the self-assessment form to enter the Re-Certification Process CAC, which was certified on December 31, 2022, with a validity period of 3 years each time.

4. Acknowledged the results of corporate governance assessment under the CGR project for the year 2022 and considered to approve the recommendations of the IOD, which are issues that the Company has not yet implemented and proposed to the Board of Directors for consideration to continuously develop and improve the evaluation scores.

In this regard, the Board of Directors approves the meeting among non-executive directors without the management attending the meeting, the meeting was held in December 2022 for the 4th consecutive year.

5. Acknowledged the preparation of the annual registration statement (Form 56-1 One Report), which is newly and clearly revised. It is effective in the fiscal year ending December 31, 2022.

6. Considered and approved the Company's corporate governance report for displaying in the annual registration statement (Form 56-1 One Report).

The Corporate Governance Committee has continually promoted compliance with good governance principles and anti-corruption policies. As a consequence, the Company received a "Very Good" rating in the good governance assessment for 2022 for the 5th consecutive year. Furthermore, the Company received the full score of 100 for quality assessment of the Annual General Meeting for 2022 from the Thai Investors Association for the 15th consecutive year. The Corporate Governance Committee commits to develop good corporate governance continuously for the benefit of all stakeholders/participants, including society and the nation as well.



(Mr. Santi Bangor)

Chairman of the Corporate Governance
and Sustainable Development Committee

Report of the Nominating Committee

Nominating Committee of People's Garment Public Company Limited consisted of Board of directors 4 persons named below:-

1. Mr. Boonkiet	Chokwatana	Chairman of the Nominating Committee
2. Mrs. Chortip	Pramoj Na Ayudhya	Independent Director
3. Mrs. Somporn	Tiyaviboonsiri	Director
4. Mr. Viritpol	Chaithavornsathien	Director

Realized the importance of recruitment and selection of the Board of Director and Top - Level Management, the company nominated the independent candidates performing duties as the Nominating Committee to be responsible for recruitment and selection as well as proposed caliber and qualified candidates from various professions to take a position of director and Top - Level management.

In 2022, the Nominating Committee conducted meeting 2 times to consider and giving approval to the Board of Directors as summarized below:-

- Nominated and proposed candidates who had qualification to take a position of Director in case of vacancy and term completion. The member who has stake in an interest in any agenda shall be abstained from voting and not attend the meeting to consider such agenda.

ในAccording to the 43rd of Annual General Meeting of Shareholders to be held on Tuesday 26th April, 2022, there were consideration of candidates' qualification for taking into a position of Board of Directors to replace the directors whose term was completion. However, 4 former directors were renew the term and named as follow:- Mrs. Somporn Tiyaviboonsiri, Mr. Chailert Manoonpol, Mrs. Nuchanart thammanomai, and Mr. Viritpol Chaithavornsathien to be appointed a position of Company's director.

In this regard, the nomination of directors has been considered to have diversity (Board Diversity) and in line with the Company's business strategy, with skills, experience, knowledge and expertise of the Board (Board Skill Matrix), including leadership, vision, morality. and ethics ; moreover, having a transparent work history. Therefore, proposed to add another new director, namely Mr. Piranat Chokwatana, who has expertise in investment management, to be appointed as a director in 2022

In addition, the Board of Directors provided opportunities for minority shareholders to participate in proposing a person to be a director prior to the Annual General Meeting of Shareholders. It appears that in 2022, no shareholders nominated persons to be considered for election as company director at all.

- Considered and nominated directors to act as sub-committees by considering the composition of the sub-committees, qualifications, knowledge, expertise, abilities, and skills that are relevant and suitable for performing the duties of the sub-committees and presented to the Board of Directors for consideration and appointment.

- Considering the charter of the Nomination Committee every year in order to comply with relevant practices guideline.

Nominating Committee perform its duties with care, integrity, thoroughness, completion, independence, and cautiousness, the committee proposed and giving opinion to Board of Directors for consideration so as to comply with Corporate Good Governance and be acceptable in accordance with international standard accordingly.



(Mr. Boonkiet Chokwatana)

Chairman of Nominating Committee

Report of the Remuneration Committee

Remuneration Committee of People's Garment Public Company Limited consisted of Board of directors 4 persons named below:-

1. Mr. Boonkiet	Chokwatana	Chairman of the Remuneration Committee
2. Mrs. Chortip	Pramoj Na Ayudhya	Independent Director
3. Mrs. Sunan	Niyomnaitham	Director
4. Mrs. Kityaporn	Chaithavornsathien	Director

Realized the importance of recruitment and selection of the Board of Director and Top - Level Management, the company nominated the independent candidates performing duties as the Compensation Committee to be responsible for propose remuneration policy and principles of remuneration for directors and member of sub-committees, and Top – Level management in consideration of appropriateness compared to duties and responsibilities which are consistent o company's performance, and current economic situation.

In 2022, the Remuneration Committee conducted meeting 2 time to consider and giving approval to the Board of Directors as summarized below:-

- Considered the remuneration for directors and member of sub-committee in consideration of appropriateness compared to its duties, responsibilities, similar industry, and performance of the company. In 2022, the remuneration payment has been considered and approved for directors and member of sub-committee by agreeing to pay the meeting allowance to independent directors only and the remuneration for the year 2022 is paid to all directors of the Company.

- Considered monthly remuneration for Chairman of The Executive Board and Vice Chairman of The Executive Board.

- Considered and determined monthly salary increment and annual bonus payment based on appropriate level and company's performance.

- Considered the charter of the Remuneration Committee annually in order to perform duties efficiently.

The Remuneration Committee performs its duties in undertaking the assigned responsibilities; as well as submitted the meeting report to the Board of Directors for consideration. The committee committed to perform its duties with Equality, Integrity, transparency in accordance with Good Corporate Governance defined by the Stock Exchange of Thailand.



(Mr. Boonkiet Chokwatana)
Chairman of Remuneration Committee

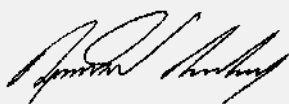
The Board of Directors' Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities on behalf of the directors of listed company regarding to the compilation of financial statements of People's Garment Public Company Limited. Said financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimate. Significant information was disclosed adequately in the notes to financial statements. The explanation and analyses of company performance and financial standing were provided for advantage of shareholders and investors. Said financial statements were duly audited and unconditionally verified by independent certified auditors.

Furthermore, the board of directors enhances good governance and promotes to have effectiveness of risk management and internal control system. Accounting information was recorded with correct and complete manner, also sufficient for safeguarding the company's asset and against any significant fraud and abuse.

The Audit Committee consists of independent directors who officiate at reviewing the quality of the financial and internal control report. The audit committee's opinion was stated in audit committee report which shown in Annual Report and Form 56-1, One Report.

The board of directors gave its opinion that good corporate governance practice, risk management system and internal control system of company are adequate and appropriate. The financial statements as of December 31, 2022 was prepared correctly and presented significant main point.



(Mr. Boonkiet Chokwatana)
President to Board of Directors



(Mr. Viritpol Chaithavornsathien)
Chairman of The Executive Board

Report of The Executive Board

The board of directors has appointed the executive committee to be responsible for the overall management and to perform the duties of managing the business of the company as assigned by the board of Directors and in accordance with the established Charter of the Executive Board.

In 2022, the Executive Committee held a total of 12 meetings to perform its assigned duties to consider and give opinions to the Board of Directors in summary as follows

1. Proposed the annual goals and business strategies together with action plans; as well as undertake its responsibilities to manage business activities of the company in accordance with its policy, strategic directions and objectives.

2. Approved the annual investment budget of the company that are planned for investment to expand its business operations with regards to production technology, information technology, together with investment to develop the potential capabilities of its human resources at all levels for competitive advantages.

3. Ensured that related financial reports are prepared and ready for the external auditor to review and examine; as well as to give their opinions before the reports are submitted to the Audit committee and the Board of Directors respectively. In addition, monitored on a monthly basis, the overall business operation and activities of the company.

4. Considered and reviewed of all “Connected transactions” together with proposed acquisitions or disposal of any assets of the company with carefulness, so that the transactions are undertaken in a reasonable prices and appropriate terms and conditions, through taking into consideration the best benefit of the company and shareholders, by which member of Executive Boards having vested interests are not allowed to participate in making decision on such matters. Thereafter the reports are submitted to Audit committee and Executive board for final consideration and approval respectively.

5. Supported and promoted employees to invent products and innovation on continuing basis for ability to create or add value to the products.

6. Oversaw, supported, and promoted the management and employees to acknowledge the Anti-corruption policy and regulations of the company

7. Reviewed the existing Charter for the Executive Board, as operating guidelines in discharging its assigned duties and responsibilities, remain appropriate and relevant to the current business situation.

8. Provided Delegated Authority Manual to state authorization and approval clearly and appropriately to organization, together with strengthen administration and management to be more effectiveness.

In order to manage amid the volatile global economy in 2022, the Executive Committee has continuously monitored the risk factors that may occur both internal and external in order to review and adjust strategies to keep up with events and to achieve the vision, mission and business goals of the organization. In addition, the committee also pay attention to internal management, good corporate governance principles, be transparent, verifiable, and fairness. The committee also conduct its business with social and environmental responsibility including continuously support against corruption for the organization to grow sustainably.



(Mr. Viritpol Chaithavornsathien)
Chairman of The Executive Board

Social and Environmental Awards

Institute/ Organization	Year	Honor Awards
Ministry of Labor	2022	Awarded the Excellent Establishments on Labor Relations and Social - Head Office : 15 consecutive year (2008 – 2022) - Lumphun : 15 consecutive year (2008 – 2022)
		Received the certificate of “Establishment with Good Labor Practice: (GLP)”
	2015	Establishments that are committed to implementing safe work-places in the honor of HRH Princess Maha Chakri Sirindhorn
	2013	Awarded the Standard on Prevention and Solution to Drugs Problems in an Establishment (SDE)
		Awarded the Excellent Establishment on Safety, Occupational Hygiene and Working Environment in the provincial level at Lumphun branch.
	2021	Zero Accident Statistic Award, Diamond Level (Zero Accident Campaign) for the 7th consecutive year
Ministry of Social Development and Human Security	2013	Received the certificate for promoting of recruiting disable persons exceeds quota defined by the legal.
Ministry of Industry	2015	Received the certificate for promoting of recruiting disable persons exceeds quota defined by the legal.
Social Security Office	2020	Received the certificate of establishment for employment of disable persons exceeds quota defined by the legal
Food and Drug Administration Ministry of Public Health	2019	Received a plaque of honor for outstanding establishment of the year 2019 for timely delivery of the contribution in accordance with Thailand 4.0 policy
Food and Drug Administration Ministry of Public Health	2020	Obtained certification of medical device manufacturing establishments.
Department of Disease Control	2022	Business organization jointly implement for protective measures and disease control in a specific area (Bubble and Seal), Prachinburi Province

General Standard Disclosures			
GRI Standards		Disclosure	Page / Link / Comment
Strategy and Analysis			
G4-1	102-14	Statement from senior decision-maker	P.7, P.217
Organization Profiles			
G4-3	102-1	Name of the organization	P.18 , P.23 , P.67
G4-4	102-2	Activities, brands, products, and services	P.10 - 13, P 23 - 28
G4-5	102-3	Location of headquarters	P.67, P. 136
G4-6	102-4	Location of operations	P.67, P.136
G4-7	102-5	Ownership and legal form	P.31 - 33
G4-8	102-6	Markets served	P.5, P.22-30
G4-9	102-7	Scale of the organization	P.60-66
G4-10	102-8	Information on employees and other workers	P.47 - 48
G4-12	102-9	Supply chain	P.83 - 86
G4-13	102-10	Significant changes to the organization and its supply chain	This page / No significant change during the reporting year
G4-16	102-13	Membership of associations	P.129-134
Identified Material Aspects and Boundaries			
G4-17	102-45	Entities included in the consolidated financial statements	This page / No consolidated financial statements
G4-18	102-46	Defining report content and topic Boundaries	P.38 - 40, P.58
G4-19	102-47	List of material topics	P.40-43
G4-20	103-1	Explanation of the material topic and its Boundary	P.40-43
G4-21	103-1	Explanation of the material topic and its Boundary	P.40-43
G4-22	102-48	Restatements of information	This page / No Restatements of information
G4-23	102-49	Changes in reporting	This page / No Changes in reporting
Stakeholder Engagement			
G4-24	102-40	List of stakeholder groups	P.80-87
G4-25	102-42	Identifying and selecting stakeholders	P.80-87
G4-26	102-43	Approach to stakeholder engagement	P.38-40
G4-27	102-44	Key topics and concerns raised	P.38-40
Report Profile			
G4-28	102-50	Reporting period	P.39-42
G4-29	102-51	Date of most recent report	P.39-42
G4-30	102-52	Reporting cycle	P.39-42
G4-31	102-53	Contact point for questions regarding the report	P.67

General Standard Disclosures			
GRI Standards		Disclosure	Page / Link / Comment
Governance			
G4-34	102-18	Governance structure	P.127
G4-37	102-21	Consulting stakeholders on economic, environmental, and social topics	P.96-116
G4-38	102-22	Composition of the highest governance body and its committees	P.120, P.128, P.132-134
G4-40	102-24	Nominating and selecting the highest governance body	P.116-118
G4-41	102-25	Conflicts of interest	P.79, P.118
G4-43	102-27	Collective knowledge of highest governance body	P.104-108, P.193-199
G4-44	102-28	Evaluating the highest governance body's performance	P.103-104
Ethics and Integrity			
G4-56	102-16	Values, principles, standards, and norms of behavior	P.212-213
Economic			
G4-EC1	201-1	Direct economic value generated and distributed	P.60-66
G4-EN5	302-3	Energy intensity	P.55-59
G4-EN6	302-4	Reduction of energy consumption	P.55-59
G4-EN7	302-5	Reductions in energy requirements of products and services	P.55-59
Emissions			
G4-EN15	305-1	Direct (Scope 1) GHG emissions	P.57
G4-EN16	305-2	Energy indirect (Scope 2) GHG emissions	P.57-P.58
Effluents and Waste			
G4-EN22	306-1	Water discharge by quality and destination	P.58-59
Labor Practices and Decent Work			
G4-LA1	401-1	New employee hires and employee turnover	P.47- P.48
G4-LA2	401-2	Consulting stakeholders on economic, environmental, and social topic	P.38- P.59
Occupational Health and Safety			
G4-LA6	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	P.50- P.52
G4-LA7	403-3	Workers with high incidence or high risk of diseases related to their occupation	P.50- P.52
Training and Education			
G4-LA9	404-1	Average hours of training per year per employee	P.47- P.48
G4-LA10	404-2	Programs for upgrading employee skills and transition assistance program	P.48
Diversity and Equal Opportunity			
G4-LA12	405-1	Diversity of governance bodies and employees	P.47- P.48
Product and Service Labeling			
G4-PR5	102-43	Approach to stakeholder engagement	P.83- P.84
	102-44	Key topics and concerns raised	P.83

PG

PEOPLE'S GARMENT PUBLIC COMPANY LIMITED

666 Rama 3 Rd., Bangpongpan, Yannawa, Bangkok 10120

Tel. 66 2 685 6500, Fax 66 2 294 5159



www.pg.co.th

