

# Annual report 2022



— ( Form 56-1 One Report) 2565



Akkhie Prakarn Public Company Limited

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## Message from the Chairman and Chief Executive Officer and Managing Director

In 2022, Akkhie Prakarn Public Company Limited has operated the business of hazardous waste incineration for 15 years. world economy and Thailand will continue and may remain at the current level for a while The company has arranged preparations to cope with this situation to a certain extent, such as preparing personnel to be ready in various fields, preparing business development plans in various fields, focusing on developing personnel to be competent. know their abilities and create new innovations to be used both in the management of the organization Hazardous waste incineration and marketing management

Throughout the past period of 2021-2022, the Company has remained committed to conducting business in accordance with the firm principles of the organization in 3 areas: the environment (Environment), society (Social) and good governance (Governance) or ESG. The company has also set a vision By adopting the economic model for sustainable development: BCG Model as a guideline for business operations. This is a sustainability strategy for the second year, including. Focus on creating new innovations for use in the organization to be part of climate change (Greenhouse Gas: GHG). and expectations of the Company's stakeholders Going through various crises that still exist smoothly Aim for wealth quickly

On behalf of the Board of Directors and Executives Thank you to all stakeholders for participating. in driving the company's business as well as support and useful comments Continue to improve work and develop the organization in various areas that are an important part to strengthen the operation of the company always well and sincerely hope that with the support of all sectors will result in the company take a strong step forward and grow together sustainably in the future



Financial and Operational Highlights in which the equity method is applied

(Unit : Million baht)

Financial Status	2022 in which the equity method is applied	2021 in which the equity method is applied	2020 in which the equity method is applied
Total Current Assets	314.37	309.88	278.29
Total Non - Current Assets	413.16	414.34	418.28
<b>Total Assets</b>	<b>727.53</b>	<b>724.22</b>	<b>696.57</b>
Total Current Liabilities	66.67	64.99	67.85
Total Non - Current Liabilities	57.53	67.60	74.63
Total Liabilities	124.20	132.59	142.48
Total Shareholder's Equity	603.33	591.63	554.09

(Unit : Million baht)

Performance Outcome	2022 in which the equity method is applied	2021 in which the equity method is applied	2020 in which the equity method is applied
Services income	375.14	375.27	347.55
Cost of services	293.45	288.56	270.85
Gross profit	81.70	86.71	76.70
Other income	9.05	16.19	8.27
Income before expenses	90.74	102.90	84.97
Services expenses	6.14	5.72	9.12
Administrative expenses	36.60	31.70	30.34
Management benefit expenses	17.85	18.17	16.75
Financial costs	4.68	5.02	5.10
Total expenses	65.27	60.61	61.31
Share of profits from investments in associates	9.36	13.38	16.78
Income before income tax	34.83	55.67	40.44
Income tax	5.54	8.83	5.79
Profit for the year	29.29	46.84	34.65
Profit (loss) from remeasurement of employee benefits at Set	2.60	-	(1.13)
Total comprehensive income for the year	31.89	46.84	33.52
Basic earnings per share (Baht)	0.072	0.116	0.086
Weighted average number of ordinary shares (Share)	404,000,000	404,000,000	404,000,000





Unit : Million baht)

Important Financial Ratio	Unit of Measure	2022 in which the equity method is applied	2021 in which the equity method is applied	2020 in which the equity
<u>Liquidity Ratio</u>				
Liquidity ratio	times	4.71	4.77	4.10
Current ratio	times	3.09	4.69	4.03
Quick liquidity ratio	times	0.69	1.31	0.90
Account receivables turnover	times	3.94	3.74	3.02
Days collectible outstanding	Day	92	97	119
Liability turnover ratio	times	5.55	5.27	4.58
Day payable outstanding	Day	65	69	79
Cash cycle	Day	27	28	40
<u>Profitability Ratio</u>				
Gross prot margin ratio	%	21.78	23.11	22.07
Operating prot margin ratio	%	7.85	12.03	8.09
Net prot margin ratio	%	7.62	11.97	9.74
Ratio of other income to total income	%	2.36	4.14	2.32
Cash-to-profit ratio	%	2.19	1.57	2.12
Return on equity ratio	%	4.90	8.18	6.37
<u>Efficiency Ratio</u>				
Return on asset	%	4.15	6.63	4.33
Return on xed asset	%	21.76	30.80	20.12
Asset turnover	times	0.53	0.55	0.54
<u>Financial Policy Ratio</u>				
Debt to euity ratio	times	0.21	0.22	0.26
Capability ratio	times	0.50	0.84	0.64
Dividend ratio	%	50.68	63.54	54.73
<u>Date per share</u>				
Par	Baht	0.50	0.50	0.50
Information according to financial				
Book value per share	Baht	1.49	1.46	1.37
Earning per share	Baht	0.072	0.116	0.086



(Unit : Million baht)

Growth (%)	2022	2021	2020
Assets	0.46	3.97	10.35
Liabilites	(6.32)	(6.94)	45.74
Shareholder's Equity	1.98	6.78	3.86
Revenue	2.04	10.02	(14.79)



# Section 1

## Business and Performance



## 1. Structure and Business Operations of company

### 1.1 Policy and Overview of Business Operations

#### 1.1.1 Vision, Objectives, Goals and Business Strategies of the Company

##### vision

“Strive to use and develop technology to take care of the environment correctly according to academic principles.  
as a guideline for business operations, as well as focusing on creating new innovations to be used in the  
organization as part of climate change (Greenhouse Gas : GHG)”

##### mission

- Innovate and used in production that is environmentally friendly
- Improve and develop business processes. To be part of reducing the appearance of greenhouse gases.
- Monitor and assess human rights risks with relevant supply chains.
- Develop guidelines to meet the expectations of all groups of stakeholders appropriately and continuously.

##### corporate values

- Focus on creating advanced innovations.
- Develop potential
- Raise the level of service satisfaction and
- Committed to working as a team.

##### corporate culture

“We have to be number one in the waste management industry. that creates a safe environment and care  
about the environment”



## Main Goals of Business Operation

The Board of Directors establishes the main goals of the operation by adhering to the concern for the environment, society, and corporate governance principle (ESG) as the key to drive its business, aiming to create the positive effect on society, the sustainable growth for the Company, and the shared value among the business and all stakeholders, including all consumers, the government, alliances, business partners, and employees and people in society where its business is operated. It is like creating values with the society by starting from the attitudes and operations of all persons within the organization and expanding externally to achieve a broader effect continuously under the management framework as follows:

- **Environmental Management:** There is a policy to manage the efficient use of natural resources and maintain the natural balance affected by business operations.
- **Social Management:** It is to manage human resources fairly and equitably, monitor the safety and occupational health of employees, and be responsible for external stakeholders affected by and affecting the business operations.
- **Governance Management:** It is to establish guidelines for supervising the operation transparently without corruption and monitoring the interests of stakeholders.

In addition, the environment and changing factors and the appropriate application of innovations and technologies are also taken into account. The Company aims to create benefits for all stakeholders in the long term so that the Company can grow sustainably. Its goals of business operation are as follows:

1. The Company is committed to providing quality services and participating in proper waste management planning in order to create satisfaction to meet the needs of customers at all levels.
2. Being committed to developing technologies and innovations to reduce energy consumption as well as limited resources for the best cost-effectiveness and efficiency, promoting the use of renewable energy from industrial wastes with calorific value, and enhancing the competency of waste management technologies to reduce impacts and become environmentally friendly
3. Preparing for emerging risks and establishing clear operational guidelines to support and manage any issues
4. Creating the highest satisfaction for shareholders, providing appropriate returns continuously and treating shareholders transparently, fairly and equally
5. Developing human resources by establishing the employee development policy to enhance knowledge and potential for more efficient performances as well as treating human resources based on the principle of respect for human rights and fair treatment of labor in order to achieve the Company's business goals, success, and sustainable growth



6. Being responsible for the community, society and environment by adhering to the concept of sustainable business operations (ESG) as the core to drive business, establishing preventive measures for impacts on the community where the Company is located, and also maintaining the natural balance lost from business operations for sustainable coexistence

#### Management Policy

1. Being committed to operating businesses by considering the correctness, appropriateness, safety, and fairness for all parties
2. Being committed to providing services that meet the needs of customers
3. Being committed to developing transportation system and industrial waste storage and disposal system, causing the least impact on the environment
4. Promoting organizational innovations in an engaging way to improve and develop quality operations
5. Monitoring, supervising, and paying attention to stakeholders in all aspects

#### 1.1.2 Key Development and Improvement

##### Key Development and Improvement 2022

- 88,199.70 tons of combustion-causing industrial waste disposal service, 375.14 tons of total revenue received from services
- Review from officials both asking for general inspection and assistance to study and visit the procedures of the waste material inspection center. Create add-ons and contribute to the environment of Master Container software through the "Fire Door Project", 213 people, 918 people.
- Cooperation with government agencies in the burning of narcotics, confiscated 3 times, worth about 92,320 million baht from the Food and Drug Administration
- Has been certified as a member of the Collective Action Coalition: CAC 2022 of the Thai private sector against corruption. Under the policy and guidelines to prevent all forms of corruption.
- Received a certificate for Carbon Footprint for Organization: CFO for the year 2021 and Carbon Footprint Product: CFP for the year 2022-2025 from the Minister of Natural Resources. and environment This represents effective management of reducing greenhouse gas emissions.
- CSR-DIW Continuous Award 2022 CSR standards from the Department of Industrial Works
- "Gold Medal" award under the project to develop and upgrade industrial hazardous waste management entrepreneurs from the Department of Industrial Works
- Received the Eco Factory standard certification for the year 2021-2024 showing social responsibility Community development and community economic promotion from the Federation of Thai Industries
- Received Green Industry Certificate Level 4 Green Culture (Green culture) Everyone in the organization cooperates in operating in an environmentally friendly manner in all aspects. from the Ministry of Industry



- Thailand Sustainability Investment Award or "Sustainable Stock" 2022 for the 8th consecutive year from the Stock Exchange of Thailand As a listed company with outstanding business operations, taking into account the balance of the environment, society and corporate governance.
- Honorary Awards (Sustainability Disclosure Recognition) gives importance to the dissemination of operational information. covering economic, social and environmental aspects or ESG (Environmental, Social and Governance) issues in addition to financial information. in the form of a sustainability report This will benefit the stakeholders of the business and develop the organization towards sustainability in the long run.
- The quality assessment result of the 2022 Annual General Meeting of Shareholders (Annual General Meeting AGM) to maintain the legitimate rights of investors received 100 points from the Thai Investors Association.
- "Excellent" for corporate governance assessment of Thai listed companies (CGR) for the year 2022

#### Key Development and Improvement 2021

- The Company provided industrial waste disposal and treatment standards for 75,350.82 tons of waste, earning a total service income of 347.55 million baht,
- The Company attracted the interest of government agencies, private agencies, educational institutes and interested persons who studied and visited the waste management center's processes. The Company built participation in proper, safe and sustainable environmental management through the "Open Doors to Akkhie" Project with 183 agencies and 485 people.
- Received the Carbon Footprint for Onrganization : CFO (3rd year) certificate from the Minister of Natural Resources and Environment This shows the effective management of greenhouse gas emission reductions.
- CSR-DIW Continuous Award 2021 Social Responsibility Standard from the Department of Industrial Works
- "Gold Medal" award under the project for developing and upgrading industrial hazardous waste management operators from the Department of Industrial Works
- Received the Eco Factory certification for the 2nd time, showing social responsibility Community Development and Community Economic Promotion from the Federation of Thai Industries
- Received Green Industry Certificate, Level 4 , Green culture, everyone in the organization cooperates in working in an environmentally friendly way in all aspects. from the Ministry of Industry
- Thailand Sustainability Investment Award or "Sustainable Stock" for the 7<sup>th</sup> consecutive year from the Stock Exchange of Thailand As a listed company that operates
- Received an award (Sustainability Disclosure Recognition) gives priority to dissemination of operational data. Covering economic, social and environmental aspects Or ESG (Environmental, Social and Governance) issues in addition to the financial information. In the form of a sustainability report This will benefit groups of stakeholders of the business. And corporate development for long-term sustainability



- Result of the quality assessment of the 2021 Annual General Meeting AGM in order to protect the rights of investors, receiving 100 points from the Thai Investors Association
- The Company's results from corporate governance assessment of Thai listed companies (CGR) in 2021 according to the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) in order to ensure corporate governance equivalent to international standards met the criteria for "excellence".

### 1.1.3 Use of fund from Public Offering of Equity or Bond

--None--

### 1.1.4 Commitments provided in the Registration Statement and/or the approval conditions

--None--

### 1.1.5 Company Information

Company Name : Akkhie Prakarn Public Company Limited

Stock Symbol : AKP

Company listed on the Market for Alternative Investment (MAI)

Company Registration No : Bor. Mor. Jor. 0107554000291

Registered and Paid-up Capitals :

#### Capital Detail

Registered Capital : 202 million baht

Paid up Capital : 202 million bath

Par Value : 0.50 bath per share

#### Shares Detail Common Stock

Listed Share : 404,000,000 Shares

Paid-up Stock : 404,000,000 Shares

Voting Right Ratio : 1 share with 1 vote

major shareholder : Better world Green Public Company Limited.

Percent to 51.18 Amount of share 206.7 million share

As of December 31<sup>st</sup>, 2022





Type of Business Operations	:	Industrial Waste Management Center (Industrial waste incinerator) is the first and only incinerator in Thailand that can eliminate hazardous waste from the industry. Can destroy organic liquid waste, waste type Sludge that can be pumped and cannot be pumped Gas and solids including Infectious waste caused by hospitals
Accounting Period	:	1 January – 31 December
website	:	<a href="http://www.akkhie.com">www.akkhie.com</a>
Main Office Location	:	792 Moo 2 Soi 1C/1 Bangpoo Industrail Estate, Sukhumwit Rd., Bangpoo Mai, Mueang Samut Prakarn, Samut Prakarn 10280
Telephone	:	02 - 323 0714 , 02-323 0716 And 02-323 0718

## 1.2 Nature of Business

### 1.2.1 Revenue Contribution

#### Summary of the Financial Status and Performance Outcome for the Company's in which the equity method is applied

(Unit: million baht)

	2022 in which the equity method is applied	2021 in which the equity method is applied	2020 in which the equity method is applied
Services income	375.14	375.26	347.55
Gross profit	81.70	86.71	76.70
Income	29.29	46.84	34.65
Gross profit margin	21.78%	23.11%	22.07%
Net profit margin	7.62%	11.97%	9.74%
Total assets	727.53	724.22	696.57
Total Liabilities	124.20	132.58	142.48
Shareholder's Equity	603.27	591.64	554.09



## Revenue Structure for the Company

(Unit: million baht)

	2022 in which the equity method is applied		2021 in which the equity method is applied		2020 in which the equity method is applied	
	Value	Percentage	Value	Percentage	Value	Percentage
income Treatment and Disposal Waste by Incineration	366.18	95.31	364.50	93.11	332.88	93.55
Transportation service income	8.96	2.33	10.77	2.75	14.67	4.12
Other Incomes*	9.05	2.36	19.16	4.14	8.27	2.33
Total Revenues	384.19	100.00	391.46	100.00	555.82	100.00

(Remarks: \* Other income, such as interest, income from the sale of scrap materials Truck rental income, returned goods etc.)

## 1.2.2 Information regarding Products

## Business Characteristics

Akkhie Prakarn (Public) Company Limited ("Company") has been granted the right to manage and operate the Industrial Waste Management Center (Industrial Waste Incinerator), Bang Pu, Samut Prakan ("Center") by the Department of Industrial Works for 20 years from the date of signing the agreement on February 11<sup>th</sup>, 2008, to the expiry date of the agreement on February 10<sup>th</sup>, 2028, and also has the right to the renewal of agreement. This is the project established by the Department of Industrial Works, Ministry of Industry, to support the industrial waste disposal from factories or other businesses by means of high-temperature incineration.

## Business / Concession License

1. The Company was granted the right to manage and operate the Industrial Waste Management Center (Industrial Waste Incinerator), Bang Pu, Samut Prakan, according to Agreement No. 89/2551 made between the Department of Industrial Works and Akkhie Prakarn (Public) Company Limited dated February 11<sup>th</sup>, 2008.
2. The Company was granted a license of land utilization and business operation in industrial estates under the Industrial Estate Authority of Thailand B.E. 2522 (1979) to operate the central waste treatment plant (Industrial Waste Incinerator), Type or Category of Factory No. 101.

The Company conducts the direct marketing through salespersons who will be trained to have good knowledge and understanding of the nature and procedures of services and be able to provide correct advices that are consistent and in accordance with legal conditions and academic principles to persons interested in using the service.

## Business Plan

### 1. Energy Cost Reduction

Management in the utilization of thermal energy from industrial wastes to replace the use of main fuel (natural gas) in the combustion process

### 2. Expanding the Market of Disposal Services

- Market Group of "Industrial Wastewater" with recycling innovation to reduce the amount of wastewater requiring the incineration process
- Market Group of "Deteriorated Chemical", especially agricultural chemicals requiring the disposal by means of incineration only
- Industry e – wastes
- Automotive Industry (eV Battery, Air Bag)

### 3. Sustainable Business Operation

Applying international standard systems to be the basis for management in all aspects, including economy, society, and environment, such as ISO 9001, ISO 14001, ISO 45001, and ISO 26000

### 4. Aiming to Become an Eco-Industry

Improving the business to become the Green Industry Level 5 level and integrated industrial waste management services within 3 years

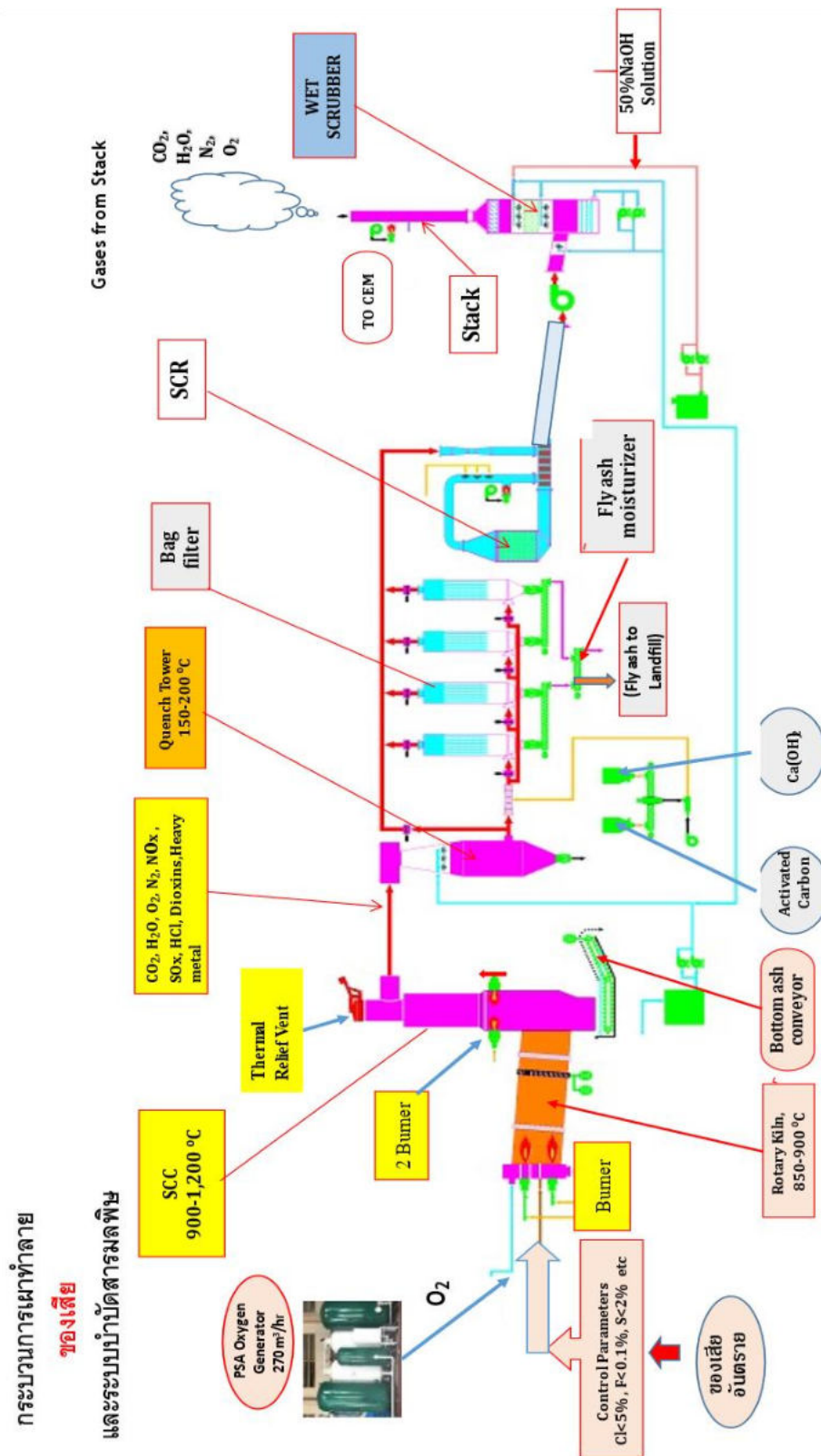
### 5. Comprehensive service

The aforementioned business plan is derived from the analysis of the Company's Brand Model as follows:

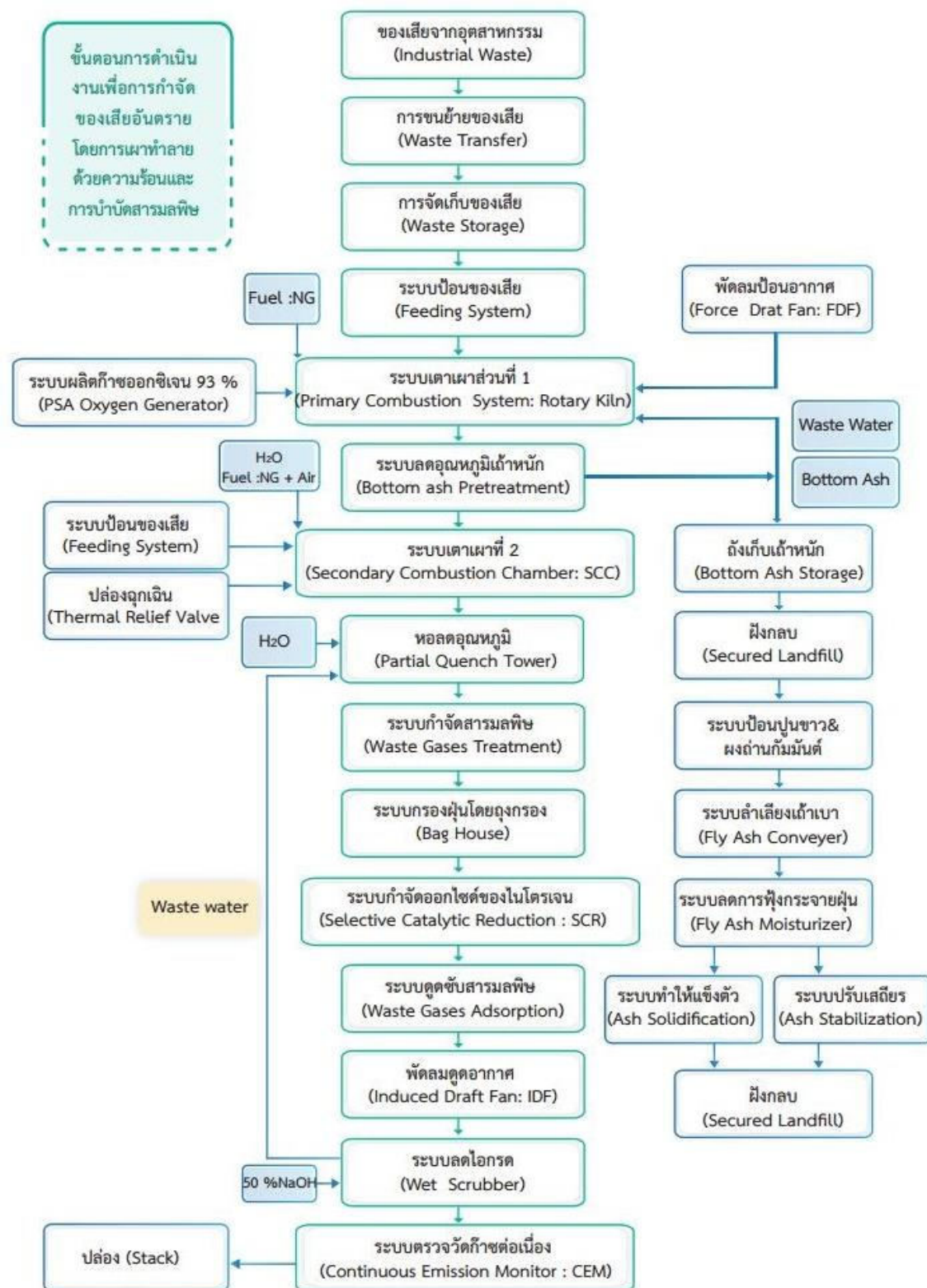
The above business plan is based on the Company's brand model analysis as follows:



Two main steps are involved in the disposal of hazardous wastes in the Company as follows:



## Steps in operations to eliminate hazardous waste or sewage





Procedures for hazardous waste disposal by thermal incineration and pollutant treatment consist of 3 important systems as follows;

1. Transportation, collection and storage, and waste feeding into incinerator systems have the following details;

#### 1.1 Waste Transportation System

Transportation system for hazardous waste that will be treated in an industrial waste incinerator is under control conditions according to the Hazardous Substance Law, Land Transportation Law, and Public Health Law. As a result, hazardous waste collection and transportation services requiring high cautions are necessary to use specially designed transportation vehicles that are suitable for each type of hazardous waste only, including environmentally friendly containers meeting international standards. Plus, transportation supervision documents are prepared and carried out in accordance with the Notification of the Ministry of Industry regarding the Documentation System for Transport of Hazardous Waste, B.E. 2547 (2004). In addition, drivers must be trained from relevant government agencies and obtain a driving license Class 4.

#### 1.2 Waste Storage prior to Delivering to Incinerator

Hazardous waste storage is necessary to be carried out systematically in order to prevent environmental impacts arising from such waste. The Company performs the following operations;

1. Wastes are stored in a safe place away from fire and spread of odors and waste vapor. For example, in the case of infectious waste, it will be stored in a cold room. A large amount of wastewater will be stored in a large storage tank with a stirring system. A system to prevent the emission of waste vapor during pumping is installed. A system to absorb substance vapor from the storage tank is installed.
2. For feeding wastes into the incinerator, the Company will provide an automatic transportation system to reduce labor and accidents possibly arising from the transfer and the spread of chemical vapor during transportation, such as providing a conveyor belt system and an automatic control lift to feed wastes into the incinerator, providing a system for feeding solid, and semisolid wastes by using all closed conveyor systems, etc.

### 2. Incineration system

The incineration of hazardous wastes requires temperature control. Plus, the duration of waste vapor generated from incineration must be long enough to be burnt or completely combusted in the incinerator. The incinerator system has the following details;





## 2.1 Primary Combustion Chamber, Rotary Kiln

The rotary kiln is designed in accordance with US.EPA regulations. Hazardous waste is burned at a temperature of not lower than 850 degrees Celsius. It is a cylindrical vessel, inclined slightly to the horizontal, which is rotated slowly during its operation. There are fire-resistant materials and acid and alkali resistant materials coated inside. It is able to control the duration of the combustion and the amount of hazardous waste burned. Therefore, it can cause a complete hazardous waste combustion reaction. In addition, there is also a Discharge Breaching connecting part for separating the bottom ash or large particles generated from combustion before entering the secondary combustion chamber by rapidly cooling the ash using water to avoid dioxin formation.

## 2.2 Secondary Combustion Chamber (SCR)

Gas produced by the rotary kiln will enter the secondary combustion chamber, where the combustion will occur completely at a temperature of 1,000 to 1,200 degrees Celsius, in order to enhance the capacity of waste gas combustion. This secondary combustion chamber is a cylindrical tube, vertically elongated from the floor. The interior is coated with fire-resistant materials and acid and alkali resistant materials to protect against high corrosion conditions inside the kiln.

## 3. Pollutant Treatment System

As the industrial waste incinerator is a kiln that burns hazardous wastes where it causes many pollutants during the process, there must be the system that can control, prevent and monitor the combustion of hazardous wastes in accordance with international standards. Details are as follows;

- (1) Pollutant control system
- (2) Ongoing monitoring and inspection system
- (3) Hazardous waste quality improvement system
- (4) Hazardous waste analysis and inspection in the laboratory

**3.1 Pollutant Control System** is to prevent the emission of pollutants generated from the hazardous substance incineration. Such system consists of;

1. Bottom ash cooling system Bottom ash produced from the rotary kiln is delivered to the bunker with water and solar so that the ash is cooled quickly to prevent dioxin formation and take it to landfill at the secured landfill.
2. Partial Quench Tower or Evaporative Cooling System Waste gas that comes out of the incinerator will enter the system to cool down. The system will spray water that is a small mist into the system of the waste gas passage. When the water evaporates, it draws heat from the waste gas, causing the waste gas which has temperatures from 1,200 degrees Celsius, to drop below 200 degrees Celsius quickly. This will prevent the formation of dioxins and allow the temperature of the gas to cool down before entering the pollutant treatment system in the next step.



3. Dry Lime & Activated Carbon Injection System The dry lime and activated carbon is injected into the waste gas flowing out from the Partial Quench Tower to react with waste gas which will cause reactions between the injected substance and pollutants in the gas. The dry lime reacts with toxic gases, such as hydrochloric acid (HCl) and sulfur oxides (SO<sub>2</sub>) or other acidic vapors, and becomes a salt, while activated carbon absorbs dioxins and heavy metals and becomes a particle and is then separated from the gas at the filter system by the bag filter.
4. Bag Filter House Gas with dust will flow through the filter bag from the outside, causing the particles to hang around the outer area of the filter bag. There are 4 sets of filter bags which will continuously separate the particles from the gas and automatically remove particles from the surface of the filter bag by Jet Pulse system. The ash from the filter bag enters the humidification system to reduce dusts that will affect the environment.
5. Fly Ash Moisturizer The ash from the filter bag (fly ash) will be put into the fly ash moisturizer through water to prevent dust formation before entering the Solidification process and further taking it to landfill at the secured landfill.
6. Selective Catalytic Reduction The gas from the filter bag will flow through the Selective Catalytic Reduction by using Titanium Dioxide (TiO<sub>2</sub>) catalyst and ammonia solution with 26% concentration.
7. Odor Gas Adsorption System Gases from the Selective Catalytic Reduction will enter the odor reduction system in an absorbing tower containing Molecular Sieves for absorbing the odor gas.
8. Packed Scrubber Tower Pack Scrubber is a tall tank with a honeycomb shape inside. When the gases containing acid residues pass through it from the bottom area and pass the caustic soda solution from the top area and expose to each other in the Packed Tower, the acidic gas will be absorbed and reacted with the caustic soda solution until the acid is depleted before being released from the chimney into the atmosphere. Before releasing to the atmosphere, it will be heated up to about 145-150 degrees Celsius to reduce the formation of white droplets at the end of the chimney.

### 3.2 Ongoing monitoring and inspection system

The system for monitoring and inspecting the amount of pollutants released from the chimney is an ongoing inspection system at the chimney area. Results are displayed on the screen in the control room which the operators can inspect at any time. There will be alarms when the amount of pollutant emission exceeds the specified threshold. The ongoing monitoring system not only monitors pollutants emitted from the chimney, but also measures the efficiency of the incinerator's combustion.

### 3.3 Hazardous waste quality improvement system

Hazardous waste quality improvement system features the functions of improving the quality of hazardous wastes to have physical and chemical properties in accordance with the criteria of industrial waste incinerator design to ensure the most efficient disposal of hazardous waste by means of incineration and cause the least fuel consumption and economic value. The hazardous waste quality improvement system includes hazardous wastes in a form of solid, semisolid, and liquid.





### 3.4 Hazardous waste analysis and inspection in the laboratory

According to the Notification of the Ministry of Industry regarding Disposal of Wastes or Unusable Materials, B.E. 2548 (2005), Article 21, Section 4, it stipulates that “Operators of waste treatment or disposal or unusable materials shall provide data on chemical and physical analysis of wastes unusable materials before performing treatment or disposal operations.” As a result, hazardous wastes that will be combusted in an industrial waste incinerator must be analyzed before the incineration in order to find physical and chemical composition by performing the analysis and inspection covering hazardous wastes in a type of wastes, wastewater, air and oil, under the assurance of operations of analytical laboratory certified and licensed for registration from Department of Industrial Works, Ministry of Industry.

### Business Innovation Development

Akkhie Prakarn Public Company Limited is aware of changes in the economy, society, environment and technology of the world today that have occurred and will be important factors that will affect the business of the company. to the operation of the value chain towards stakeholders both directly and indirectly both positive and negative For this reason, the company Therefore, it has planned strategies and strategies for operations, along with goals, plans, personnel preparation in terms of building knowledge, morale, various factors to think and create new innovations for use in the organization.

Objectives of the company's innovation management Focus on results that benefit business operations and create future business development opportunities. taking into account changes in both technology business environment customer requirements And the important thing is to focus on the environment, especially at present, the world has been exposed to serious threats caused by climate change due to greenhouse gases (GHG) and the strategies of competitors. business, etc. Second, to prepare to deal with external factors in business competition by building competitiveness of the business both in the short and long term. Covering profitability (Profit) and reducing costs (Cost saving) and reducing various risks that will affect the business and creating an image of professionalism of employees Akkhie Prakarn Company Limited ( public), etc.

Incidentally, 2022 is the year that the company has adopted the BCG Model: an economic model for sustainable development. which the government has set as a national agenda (since 2021) to be used as a guideline for doing business which has the concept of economic development by taking the resources available in the world (biological, renewable, and wasteful) to be used sustainably taking into account the environment and society

In 2022, it is the second year that the company has implemented the strategic plan for sustainability phase 2 and during the years 2018-2022, Akkhie Prakarn Public Company Limited has set an operational plan to invent and create innovation as a strategy. One of the important factors in determining the sustainability strategy continued from 2018, with the objective of continuously developing the technology used to create new machines and equipment. came up with the hazardous waste incineration process To enhance production efficiency and reduce environmental impact. save energy Including building long-term competitiveness. in order to achieve



sustainable growth in business performance amidst intense competition and to meet the expectations of stakeholders. It can be seen that from 2018 to the present in 2022, there have been 19 innovations that have been applied.

**In 2018 has, 8 innovations**

**Environment**

1. Install Fly ash Moisturizer.
2. Install an odor treatment system and pollutants by the adsorption column process
3. Acid waste stabilization
4. Install an oxygen gas production system (PSA Oxygen Generator).

**Energy**

1. Enter hazardous waste into the incinerator using compressed air for nitrogen gas (Acid Egg).
2. Install a heat recovery system develop technology to increase the potential of the hazardous waste incineration system.
3. Development of a system for filtration of hazardous waste types (Strainer)
4. Improve the size of the natural gas burners of the 2nd set of furnaces from the original size of 175 Kg/hour to the extent of 236 Kg/hr.

**In 2019, there are 2 innovations**

1. Continuous Particles Screw Feeder.
2. Continuous conveying of waste into the incinerator system by roller and lift system (Roller and lift for Solid Waste Transportation to Rotary Kiln)

**In 2020, there are 3 innovations**

1. Energetic, solid waste feeder systems
2. Wastewater precipitation system before it is put into the Liquid Waste Separation Process.
3. Application development for connecting with customers Objectives to create customer satisfaction which is an important stakeholder

**In 2021, there are 4 innovations**

1. Thermocouple replacement system used to control defective temperature without stopping the furnace operation.
2. Improve the Oxygen production system from 170 Nm<sup>3</sup>/hr. to 300 Nm<sup>3</sup>/hr.
3. Improving the wastewater sedimentation system before it is put into the incineration process.
4. Application improvement: AKP Customer for connecting with customers

**In 2022, there are 2 innovations**

1. Energy waste feeding system into the incinerator
2. Liquid feeding control system to have energy value



## Marketing and Competition

### 1. Industrial Trends

After the resolving of the COVID-19 epidemic that caused disruption in the industrial production chain during 2019-2021, the industry trend in 2022 is expected to expand further. Continued from the year 2021, which has grown even more, especially with more openings in the country. petrochemical industry chemical industry electrical and electronic industry pharmaceutical industry and hospitals, which are the target industries of the main customers (First Tier) in determining the business plan. for expanding the group market “Industrial wastewater” and “deteriorating chemicals” provide an opportunity to expand the market for these two groups of waste. With innovations that aim to develop solutions to problems and add value to customers, such as recycling wastewater And used in the pollutant treatment process instead of using tap water. This is regarded as waste management in the form of a circular economy.

In 2022, the company has adopted the economic model for sustainable development: BCG Model as a guideline for business operations by focusing on waste management in the Circular Economy. liquid industry which has a high calorific value to be used as an additional fuel for waste incineration instead of using primary fuel (Natural gas) some in the combustion process. This increases the opportunity to compete in the market due to lower energy costs. And it is also a business operation that is in line with the guidelines for sustainable economic development according to the government's national agenda set in 2021.

### 2. Competitive Strategies the company has established competitive strategies as follows:

1. Set corporate sustainability directions based on 3 pillars of sustainable development (ESG), namely environmental sustainability. (Environment), Society (Social) and Governance (Governance) to do business has an advantage over competitors in being recognized in the relevant operating standards. Streamline workflows to optimize the use of limited resources. Substitute use of other resources Looking for alternatives or innovations and increasing operational efficiency Until the employees understand Recognize the importance of the impact of business operations and participate in the development of new solutions.

2. In 2022, the company plans to study, develop and create new innovations for use in the organization. As part of reducing climate change (Climate Change) caused by greenhouse gases that has been ongoing since 2019, the action in this section (Greenhouse Gas Reduction) Customers can use it as a result of their organization's work.

3. Focus on safe and fast transportation services that can provide industrial waste transportation vehicles. Especially the law on the transportation of hazardous substances, such as having a driving license type 4, being allowed to move and transport hazardous materials (Wor. 8) from the Department of Industrial Works, etc.



4. Customer Satisfaction In addition to providing services that must meet international standards, the company also focuses on building good relationships with customers. With fast, punctual service and ready to give advice and help customers in various fields. such as giving advice on industrial waste management in factories and safety activities within the factory which this strategy All of them make the company Able to maintain good relationship with customers continuously and for a long time and also make the company's customers These disseminate information about the service to other new customers. have been informed and interested in using the services of the company as well

5. Participation in community and social responsibility: The company has promoted public relations for the public to understand the work process and environmental protection measures, which the company has opened opportunities for the general public, students, as well as factory staff. various industries Visited the prototype of industrial incinerator technology for hazardous waste incineration To lead to strengthen cooperation in environmental management to be correct, safe and sustainable for the community. society and environment in the future

#### Target Customer

Industrial factories that are the Company's main target customers are petroleum and petrochemical industries, chemical industries. especially the agrochemical industry group Including a group of medical service establishments, where the target customers are medium and large industrial factories, which in 2022 the company has consistently gained the trust of customers due to the period that the company Has been in business for 15 years.The company is committed to maintaining service standards. Strictly internationally, the company has customers to use the service continuously and at the same time there are new customers who use the service all the time. and with the company's service strategy The main focus is to create satisfaction for customers, the company is therefore confident that customers will continue to use the service.

The Company has classified target users by industry type as follows:

- Factories operating businesses related to chemicals, chemicals or chemical materials.
- The factory operates in the production of synthetic resin rubber, plastic
- The factory operates business related to paint, varnish, shellac, lacquer.
- Petroleum refining plant
- Factories engaged in business related to petroleum products.
- Hospitals and nursing homes
- Waste from the agricultural sector.



### Price Policy

The company has a policy to set the service fee. By considering from the company's operating cost plus margin, the service fee must be able to compare and compete with other operators. In the past, the service fee included transportation costs. And there may be an annual increase in the service fee. However, due to the impact of oil prices, the Company consider revising the policy on setting service rates for new customers which will separate the waste disposal service fee and shipping cost apart which will make the company service rates can be adjusted of each type to suit the actual cost

### Distribution Channel (Service)

The company conducts direct marketing through the sales staff of the company. Sales staff will be trained to have a good understanding of the characteristics and procedures of providing services. Can provide advice that is consistent and in accordance with legal requirements. It is technically correct for industrial plants. The company has measures to create incentives for sales staff. By paying commissions to salespeople who can earn income according to the specified criteria. The rate is determined in accordance with the Company's regulations. and has approval from authorized persons in such matters

In addition, with the achievements and good relationships with various government agencies such as the Department of Industrial Works. provincial industry Industrial Estate Authority of Thailand Food and Drug Administration (FDA), Department of Agriculture Office of the Narcotics Suppression Commission make the reputation of the company is generally accepted This will help in public relations. and support various industrial factories use the services of the company with further conviction

### 3. Procurement of products and services

Summary of customer data that use the service during the year 2020 - 2022 are as follows:

Region	No. of users in 2020	No. of users in 2021	No. of users in 2022
North	19	15	18
South	22	35	11
East	337	343	282
Northern East	56	55	56
West	28	31	27
Central	424	429	417
Bangkok	278	235	210
Total	1,164	1,143	1,021

**Service Performance****(1) Quantity of waste**

Type	2020	2021	2022
Solid	33,435.59	44,172.28	47,742.31
Liquid	41,626.22	28,300	40,167.48
Sludge	37.21	1,539.71	42.71
Gas	149.17	182.84	160.69
Infected waste	102.65	307.33	86.51
<b>Total</b>	<b>75,350.84</b>	<b>74,502.16</b>	<b>88,199.70</b>

**(2) Industrial Sludge Management**

Item	2020	2021	2022
Incinerate	16,694.42	16,089.92	16,577.74
Alternative fuel	30,000.92	37,102.16	39,695.10
Recycle	29,139.10	20,759.48	32,536.10

**4. Assets for Business Operations**

The main assets used in the business are Furnaces and equipment for use in the incineration of industrial waste which is the property of the Department of Industrial Works where the Company has the right to manage According to the contract signed jointly for a period of 20 years and can be renewed once. Each time does not exceed 10 years. Other assets are vehicles (transport vehicles) and containers (Box) for use in packing and transport industrial waste the rest are tools. Other general office supplies. Details of assets used in business operations appear in Attachment 4 of the Annual Registration Statement (Form 56-1 One Report).

**5. Outstanding work**

- None-

### 1.3. Shareholding Structure of Company

#### 1.3.1 Shareholding Structure of Company

Akkhie Prakan Public Company Limited (“AKP”) is a subsidiary of Better World Green Public Company Limited (“BWG”), which operates the business of managing and managing wastes or waste materials, whether they are Comprehensive comprehensive range of harmless and harmless treatments, including treatment, elimination and recycling.



Note: Information as of 31<sup>st</sup>, December 2022

#### 1.3.2 Person who may have conflict of interest holding more than 10% of shares of the Company's subsidiary or associate company

-None-

#### 1.3.3 Relationship with the group business of the major shareholder

-None-



### 1.3.4 Shareholders

As of December 31<sup>st</sup>, 2022 the first ten major shareholders are as follows

No.	Top 10 Major Shareholders	Number of shares	Shareholding Percentage
1	Better World Green Public Company Limited	206,786,000	51.18
2	Thai NVDR Company Limited.	12,807,953	3.17
3	Mrs. Margaret Linda Dalal	12,317,500	3.05
4	Mrs. Daranee Attanan	11,500,100	2.85
5	YAMAZEN HOLDINGS COMPANY LIMITED	11,000,000	2.72
6	Ms. Phavasutthi Chotiksathien	10,351,200	2.56
7	Mrs. Supa Yuensunthorn	5,914,600	1.46
8	Mr. Jormsup Lochaya	5,401,000	1.34
9	Mr. Adithep Chanasit	3,145,400	0.78
10	Mr. Somsak Srisuthaskul	2,403,900	0.60
Top 10 Total		281,627,653	69.71
Shareholders Others		122,372,347	30.29
Grand Total		404,000,000	100.00

### 1.4 Registered and Paid-up Capitals

(A) Detail if the registered capital as of December 31<sup>st</sup>, 2022 was shown below.

#### Capital Detail

Registered Capital	:	202	million baht
Paid up Capital	:	202	million bath
Par Value	:	0.50	bath per share

#### Shares Detail Common Stock

Listed Share	:	404,000,000 Shares
Paid-up Stock	:	404,000,000 Shares
Voting Right Ratio	:	1 share with 1 vote

As of December 31<sup>st</sup>, 2022, the Company has registered and fully paid-up capital.





## (B) Listed Exchange Name

Akkie Prakarn Public Company Limited. Is a listed company on the Market for Alternative Investment (MAI) And the name used for trading on the stock exchange is "AKP".

## 1.5 Other Securities

--None--

## 1.6 Dividend Policy

It is the Company's policy to pay dividends at no less than 50% of net profit after juristic person taxes for the financial statements for specific businesses and following deductions for various financial reserves of every type according to the law and as stipulated by the Company. Furthermore, the dividend payments must not significantly affect the Company's normal operations

Compare the dividend payout rates. From the operating results of the year 2019-2021)

Budget for Specific Company	In 2019	In 2020	In 2021
Dividend per share (Baht)	0.023	0.050	0.025
Dividend Payout (Percentage of Net Profit after legal Reserve)	54.73	63.54	50.68
Total Dividend Paid (Baht)	9,292,000	20,200,000	10,100,000



## 2. Risk Management

### 2.1 Enterprise Risk Management Policy and Plan

Board of Directors Aware of the need for business operations to establish policies, operational frameworks and enterprise-level risk management plans. To prepare for prevention, including learning or seeking experience in business operations during crises from those risks. And along with studying guidelines or preparing to run a business quickly after the crisis has passed, the following actions have been taken.

#### 2.1.1 Appointment of the Risk Management Sub-Committee

Board of Directors The Risk Management Committee has been appointed according to the Risk Management Committee Charter, consisting of directors and senior executives. and an independent director as the Chairman

The scope of duties and responsibilities has been defined as follows:

- (1) Review and propose risk management policy and risk tolerance to the Board of Directors. for approval
- (2) Supervise the development and implementation of the enterprise-wide risk management framework.
- (3) Review the risk management report to monitor key risks. and ensuring that the organization has adequate and appropriate risk management.
- (4) Presenting the overall risks of the company. Including the adequacy of the internal control system. To manage risks in various important aspects for the Board of Directors.
- (5) Give advice to the Company in risk management. and to consider and revise any information related to the development of risk management systems.
- (6) To have the power to appoint a working group to assess and monitor the risks of the Company.
- (7) Other matters assigned by the Board of Directors. Assignment related to risk management

And during the year 2022, various matters were considered, such as responsible for supervising risk management and setting up an "Organizational Risk Management Policy" as a framework for assessing and analyzing risk factors that affect Company and both external and internal factors to implement and control the company's risks Including the establishment of an enterprise risk management framework by considering the guidelines for risk management of the organization. Enterprise Risk Management According to the COSO-ERM 2017 risk management framework to be used in managing the risk of the organization at an appropriate level. or acceptable to the organization as well as being a medium for personnel at all levels of the company Understand the importance of the risk management process so that it can be implemented as an organizational culture that will lead to the stability of the organization in the future.



Including the preparation of risk management regulations / opportunities, including the necessity and expectation of stakeholders in terms of quality and environment in accordance with ISO 14001:2015, ISO 45001:2018 requirements, as well as internal audit ) in terms of risks and hazards from operating according to the occupational health and safety system To be a risk management guideline for executives, employees at all levels to assess risks and formulate a risk management plan in the operational process. to an acceptable level

In addition, the company It also places great emphasis on ESG (Environment, Social, Government) risk management, namely environmental risks. Social risks and corporate governance risks Corporate governance such as greenhouse gas risk Risks affecting stakeholders supply chain community and human rights, etc.

#### **2.1.2 Audit Committee**

The Audit Committee is appointed by the Board of Directors. Or at the shareholders' meeting of at least 3 persons and must be independent directors of the company. The Audit Committee must have independence qualifications according to the announcement of the Capital Market Supervisory Board. Property matters and the scope of work of the Audit Committee

##### **with the scope of authority and responsibility**

(1) Review for the Company Accurate and sufficiently disclosed financial reports by coordinating with external auditors. and executives responsible for preparing both quarterly and annual financial reports. Review or examine any items deemed necessary and important during the audit of the Company's accounts.

(2) Review for the Company There is an internal control system and an internal audit. According to the internal control framework (Internal Control Framework: COSO 2013) and internal audit (Internal Audit) that are appropriate and effective. according to generally accepted international methods and standards by reviewing together with auditors and internal auditors Review the suitability and adequacy of the risk management system.

(3) Consider the independence of the internal audit department. as well as to approve the consideration of appointment, transfer Termination of internal audit supervisor or any other department responsible for internal auditing

(4) Review the Company's operations. In accordance with the law on securities and exchange requirements. of the Stock Exchange of Thailand and the laws related to the Company's business.

(5) Review the results of corruption investigation and determine preventive measures within the organization. as well as reviewing the Company's internal processes relating to whistle blowing and receiving complaints.

(6) Review the self-assessment form regarding anti-corruption measures as reviewed and assessed by the internal audit department. To ensure that the company has various systems against corruption as reported. in the self-assessment form of the Thai Institute of Directors Association (IOD)

(7) Consider, select and nominate the Company's auditor. Including considering the remuneration of the auditor. taking into account independence credibility resource sufficiency The amount of audit work of the audit firm and experience of personnel assigned to audit the Company's accounts



(8) Consider the disclosure of information of the Company. In the event of a connected transaction or transactions that may have conflicts of interest to be accurate, complete and in accordance with the laws and regulations of the Stock Exchange of Thailand Including giving opinions on the necessity and reasonableness of such transactions. taking into account the greatest benefit to the Company

(9) To perform any other tasks as assigned by the Board of Directors and approved by the Audit Committee.

(10) Prepare a report on the activities of the Audit Committee. It is disclosed in the company's annual report. signed by the Chairman of the Audit Committee

(11) Report the performance of the Audit Committee to the Board of Directors at least once a year.

(12) to have the power to carry out inspections and investigations as necessary in various matters Including expressing independent opinions from any other professional advisors. when deemed necessary at the expense of the Company In order to perform duties under responsibility to be successful.

(13) Investigate any suspicious circumstances that directors, managers or persons responsible for the Company's operations have committed an offense under the Securities and Exchange Act (No. 4, Section 311, Section 310, Section 309, Section 308, Section 305, paragraph two, Section 2). /281 in Section 4 B.E. 2551 which the auditor has found and reported to the Audit Committee. and the audit committee shall report the preliminary internal audit results to Board of Directors Securities and Exchange Commission And the auditor within the date of being notified by the auditor. However, suspicious circumstances must be notified within 30 days and the method for obtaining facts relating to such circumstances shall be in accordance with the notification of the Capital Market Supervisory Board.

(14) In performing duties of the Audit Committee If found or suspected that Contains the following items or actions This may have a significant impact on the Company's financial position and performance. The Audit Committee shall report to the Board of Directors. To make improvements within the time that the Audit Committee deems appropriate.

- Conflict of interest transactions
- Fraud or abnormality or significant deficiencies in the internal control system
- Violation of securities and exchange laws. regulations of the stock exchange or laws related to the business of the Company

The Audit Committee is independent in its operations. In addition to reviewing financial statements, it also reviews operations to ensure they are in compliance with policies and regulations, laws, regulations, and regulatory requirements. Including reviewing to have a good internal control system. Internal audit system and strict risk management system Discussions with auditors who are independent external auditors to obtain opinions on financial statements and internal controls. internally, and report the results of operations and recommendations to the Board of Directors' meeting on a quarterly basis. As detailed in the topic "Report of the Audit Committee"



The Company immediately took the suggestions from both the Audit Committee and the external auditor to improve and reported the improvement results to the Board of Directors in the next meeting.

The head of internal audit of the company is "Mrs. Piraya Chanyarak" acting as the secretary of the audit committee with the approval of the audit committee in considering the appointment. with supporting agencies The Internal Audit Department is an independent unit from the management. It is responsible for assessing the adequacy and effectiveness of the internal control system. Audit and assess various risk management and report to the Audit Committee and the Board of Directors on a quarterly basis.

**In the past operations in corporate risk management, the Company has the following guidelines for action**

**(1) The company has prepared documents for risk assessment. and risk management measures using documents that the Company Prepared in two guidelines, namely**

1. Organization Context and Risk/Opportunity Management Document Code: P-AD-007

with a purpose

- To know issues related to the goals and strategic directions of the organization, including the expectations of stakeholders.

- To know the risks and opportunities of running a business. Along with being able to determine the appropriate management for each level of risk and opportunity effectively. and guidelines for conducting risk analysis with risk and opportunity management guidelines

2. Hazard identification and risk assessment (Identification Hazard and Risk Assessment )

with a purpose

- to search for danger And know all the dangers that exist in Akkhie Prakarn Public Company Limited and determine methods for finding dangers. including methods for assessing risks

- To prioritize all risks present in Akkhie Prakarn Public Company Limited.

- To be able to consider risk control measures at each level and includes defined risks and risk analysis guidelines such as hazard identification risk assessment Assessing the likelihood of harm and considering the opportunity score to prepare a risk reduction plan review of risk assessments, etc.

**(2) Appointment of various committees**

1) Appointment of the Standard Management System and Risk Management Committee according to Announcement No. AKP 01/2565-005 to ensure that the Company's operations in accordance with the standard management system and effective risk management consisting of

- Standard Management Representative and risk management

- Assistant Representative for Standard System Management and risk management and working group

The company aims to develop industrial waste disposal services. and safe operation for customer satisfaction, including reducing and preventing pollution that may arise from operations As well as being committed to improving and developing the quality management system. Environment, occupational health and safety To consistently comply with relevant regulations and laws. By realizing the importance of risk management which is in accordance with the principles of good governance (Good Governance).



- 1) Safety Committee Occupational health and working environment according to the announcement
- 2) Supervisor level safety officer
- 3) Safety officers at technical level
- 4) Professional safety officers

## 2.2 Risk Factors and Risk Management Measures

### 2.2.1 Environmental and Energy Risk

#### 2.2.1.1 Environmental Risk

The company is aware of the importance of ESG risk management, especially the environment. The company has taken the following actions.

(1) Establish an “environmental policy” to reflect the Company's commitment to reducing environmental impacts. Set a policy to conduct business according to the principles of the BCG Model, which is an important part of using resources worthily.

(2) Corporate Governance and Sustainability Subcommittee (CG&CGR)

to oversee operations Good Corporate Governance business ethics Sustainability Management and operations on social, community and environmental care. At present, the Corporate Governance and Sustainability Subcommittee More than half of the members are independent directors. and Chairman of the Corporate Governance and Sustainability Subcommittee Being an independent director with 4 members

In 2022, the Corporate Governance and Sustainability Subcommittee A total of 2 meetings were held, considering the following matters:

1) Review the Company's corporate governance and sustainability policies and procedures. in line with good corporate governance practices for listed companies in 2017 (Corporate Governance Code: “CG Code”) and in line with business operations and sustainable development goals.

2) Consider and approve the Corporate Governance and Sustainability Action Plan of the Company by focusing on supervising compliance with regulations, laws and best practices as well as giving suggestions and monitoring the progress of the performance.

3) Encourage and support employees to comply with corporate governance and sustainability policies and procedures. business ethics and key corporate practices Including the action plan for corporate governance and sustainability of the Company as well as promoting and giving importance to participation in employee volunteer community development projects in order to spend time on activities that are beneficial to society and are Benefits to create sustainable value for the organization

4) Review and improve the charter of the Corporate Governance and Sustainability Committee. to scrutinize matters according to their roles and responsibilities to improve the performance of duties for the benefit Maximum provides self-assessment both as a group and as an individual. According to the assessment form prescribed by the Stock Exchange of Thailand to review the performance of the previous year. to help strengthen



the balance of thought quality of work including efficiency in decision making of the Board of Directors This is useful in determining the strategy, policy and business direction of the Company.

In 2022, the Company has not received any complaints about misconduct or inappropriate behavior. on bribery and corruption or acts that violate the law business ethics good corporate governance principles and regulations of the company in any way

Since the business of the company is a service business in the burning of hazardous waste by using heat. Fuel is used to produce heat. Greenhouse gas emissions are CO<sub>2</sub>, both from the fuel used and from the incineration of certain groups of hazardous waste that contain carbon elements. However, the company has helped other companies. which are the generators of hazardous waste production and Use chemicals that have a high impact on the environment in burning to reduce the impact such as chemicals in the refrigerant group by burning these chemicals instead of releasing them directly into the atmosphere

#### **2.2.1.2 Occupational health risks and safety (Safety and Occupational Health Risk)**

In operating the business of industrial waste management center (Industrial waste incinerator) Bangpoo, Samut Prakan Province ("Center") is at risk of causing environmental impact. to nearby communities, including risks that may affect the safety and health of employees The company is aware of the risks in each aspect. very much because if damaged or affected especially in terms of the environment as a result of the Company's operations Which must be responsible for correcting and dealing with such problems.

For this reason, the company Therefore, guidelines for various operations and controls according to environmental management standards have been established. and safety according to relevant regulations and standards to control and prevent environmental impacts Including managing the risks as follows

#### **Implementation of occupational health risk management measures and safety in 2022**

There were 5 incidents and 26 accidents, of which there were 26 accidents that resulted in 5 employees being injured. Divided into minor injuries, no absence from work in 1 case, very severe injuries, 2 days off from work no more than 3 days, and the highest level injuries, 2 days off from 3 days or more. The number of injured employees decreased from the year 2022 Summary of values Total spending on safety was 1,468,842.94 baht, compared to 2021 in the amount of 1,820,038.85 baht.

#### **2.2.1.3 Risk from Coronavirus Disease 2019 (COVID-19) Situation During New Normal**

At present, in 2022, the epidemic situation of the Coronavirus (COVID-19) has affected the business operations of the Company. continuously since 2019, including stakeholders related to the company began to decrease, relieved from the feeling of fear of the impact or danger from the past situation As a result, the business began to recover somewhat in 2022 and in the past, especially during the years 2020-2021, the company has developed technology and created various innovations such as marketing innovations. came up to reduce the impact. which is currently in the year 2022 It has been implemented until it is a normal practice because it has been implemented continuously for a long time, entering the 4th year. It has brought the business recovery plan that is expected to be used when the situation returns to normal and applies to many projects such as marketing plans, etc.



#### 2.2.1.4 Climate change risk

At present, Akkhie Prakan Public Company Limited is located in Samut Prakan Province. Therefore, if the area is affected by natural disasters such as floods, storms, earthquakes or force majeure, and may cause the operation of The company had to stop, or damage to the property of the company group. This may negatively affect the Company's performance and financial position. Company reputation or increased costs from compensation for various damages, including the accumulation of greenhouse gases and natural disasters that occur more often and more severely in which corporate governance and in issuing laws and measures from the public and private (financial) sectors to control greenhouse gas emissions. It has become a risk that every stakeholder in the business sector must pay attention to.

#### 2.2.1.5 Risk from greenhouse gas situation

in the business process of the company which is a service for burning hazardous waste by using heat. Therefore, the company Requires energy and raw materials that are important to greenhouse gas emissions, such as the use of electricity for machinery. The use of both natural gas fuel for heat in combustion. The use of vehicle fuel to transport waste, including chemicals such as refrigerants. Fire extinguishing agents and tap water and in the process of burning some hazardous waste. The composition is carbon, it is the cause of greenhouse gases, such as carbon dioxide as well. But in the process of burning hazardous waste. The company has also burned to destroy chemicals that cause greenhouse gases that are Global Warming Potential (GWP) compared to CO<sub>2</sub> is high, for example, each year there are customers who send waste to incinerate Hydrofluoride carbon (HFCs), perfluoride carbon (PFCS), etc. These chemicals, when burned, produce CO<sub>2</sub> gas whose GWP is much lower than those chemicals. in addition throughout the value chain from upstream to downstream. The Company and its related business operators are also part of the greenhouse gas emissions, such as the use of fuel in transportation, etc.

The company is aware of such problems, therefore, has analyzed various risk factors that cause greenhouse gases and prepared risk management measures as follows.

#### 2.2.1.6 Energy risks

From the analysis of risk factors in the Company's business operations, it can be concluded that energy is a factor that affects the Company's business operations, at high risk. Because energy is the main factor in the company's incineration of hazardous waste. Especially energy from natural gas, electricity and fuel, which the energy that the company Used in such business operations also contributes to greenhouse gas emissions that directly affect the global environment.

### 2.3 Human Rights Risk

Throughout the past 15 years of operating the business, the Company has been committed to following the human rights policy of the law and regulations, and regulations related to human rights management. Respect for human rights throughout the supply chain, such as fair labor practices, responsible service (in the incineration of hazardous waste) to customers. Continuous participation in community and social development.





In the present condition, economic, social and global technological developments are rapidly changing. including climate change Due to greenhouse gases, human rights risks are likely to occur as well. In order to prevent and reduce the impact that may occur due to the aforementioned causes, the company has studied and laid down the guidelines for risk management measures that may occur as follows.

### **2.3.1 Human Rights Risk labor rights**

#### **Human Rights Risk and Impact Assessment**

Labor risks are generally caused by violations of labor rights. Occupational safety and discrimination against employees

The severity of labor risks may entail significant risks such as:

- there is a chance of legal disputes
- Personnel shortage causes problems in work and development costs for new employees. and most importantly
- Reduce competitiveness and sustainable business growth

### **2.3.2 Human Rights Risk Infringement of service users' rights**

#### **risk assessment and the impact of violating the rights of service users**

1. Risks related to discrimination or denial of service
2. Risk of Violation of Privacy Rights and the risk of leakage of business users' information

### **2.3.3 Human Rights Risk Violations in natural resources and the environment**

#### **Assessment of risks and impacts of rights violations in environmental resources**

1. Risks arising from business operations in terms of sharing resources with local communities, which results in to life and livelihood
2. Risk of violating community rights in accessing resources
3. Risk of improper waste management
4. Risk of generating air pollution and sound for communities and entrepreneurs in the estates
5. Risks related to movement/transportation Hazardous wastes from customers come into the disposal process.
6. The risk of transporting waste from the factory to be disposed of

## **2.4 Corporate Governance Risk**

### **2.4.1 Operation Risk**

Supply chain management is a key factor in increasing the value of a business. If there is a lack of efficiency or lack of integration in activities throughout the supply chain from upstream to downstream. inevitably causes production costs to increase unnecessarily Including may affect the quality of the service. This may cause loss of competitiveness. including the trust of stakeholders



#### 2.4.2 Risks that may lead to fraud and misconduct or corruption in the operation

Corruption is a major obstacle in making the most of an organization's resources. And it can happen at any time, no matter how excellent the internal control system of the organization is. The company has realized the importance of this matter. Therefore, measures for risk management are as follows:

#### 2.4.3 Risk from shortage of personnel

Increasing market competition from the expansion of existing and new competitors Including Thailand entering an aging society As a result, the number of working-age population began to decrease. Including the problem of labor migration which started This causes labor shortage problems at present and will increase in the future. It is an external factor that affects the business of the Company. causing higher labor costs, including Development expenses in terms of personnel and technology in response to the problem of labor shortage that has arisen and will become more severe in the future

### 2.5 Business risks

#### 2.5.1 Compliance Risk

Risk from changes in government policy government agency (Department of Industrial Works, Ministry of Industry) rules, regulations and laws related to the company

The company's core business is the provision of industrial waste incineration services. which is a downstream business that mainly relates to or supports the growth of the industrial sector Which depends on the supervision of the ministry responsible for the economy, such as the Ministry of Industry. Ministry of Commerce Ministry of Natural Resources and environment, etc. Therefore, the issuance of rules and regulations related to such ministries will have an impact on the overall business involved, for example, in relation to the release of pollutants. Controlling illegal dumping of industrial waste Policies issued to control factories operating in the business of burning or disposing of industrial waste, etc. Therefore, changes or issuance of relevant laws will affect operations. Direct and indirect industrial waste incineration service business Both are beneficial and affect the business of the Company. Therefore, the company has prepared measures to manage risks that may occur to the company as follows.

#### 2.5.2 Risk of higher production costs due to aging of machinery and equipment

The hazardous waste incinerator technology that the company operates is a hazardous waste incinerator technology designed according to EPA requirements to incinerate hazardous waste at temperatures up to 1,200 °C with a 2-burner gas burner system. nature as fuel There is a system for treating and controlling pollutants from hazardous waste incineration. up-to-date and in compliance with regulations and laws of the Pollution Control

Department and the Department of Industrial Works at present The hazardous waste incinerator was built in 2004 and has been in use for more than 15 years. electronics and Deterioration due to corrosion and damage, therefore, has to be purchased / built to replace, resulting in higher costs and resulting in higher production costs.

### 2.5.3 Risks associated with emerging hazardous waste incineration operations

Due to the development of the production of consumer products and at present there are many new products emerging according to the development of technology and consumer demand, such as batteries used in cars, solar cell panels. To replace the use of electricity from Fossil, causing various types / types of hazardous waste and increasing amounts such as e – Waste, etc. Therefore, the existing incineration process may not be applicable to some Waste. Therefore, it is necessary to study and develop a non-hazardous incineration process. and no more pollutants that affect the environment

### 2.5.4 Competitive Risk

Currently, different organizations Both the public and private sectors are aware of the current and future impacts caused by environmental pollution such as greenhouse gases. Under the alarmingly increasing amount of hazardous waste There is an ongoing campaign to reduce environmental pollution. As a result, industrial plant operators All over the country realizes and cares about bringing industrial waste into the correct management system. make industrial waste management business It has grown and expanded greatly, causing more people to invest in this business, which affects the customer base and price competition and affects the income of the company. In addition, the application of BCG Business Model principles in some industries may affect the amount of hazardous waste that may decrease somewhat, but the amount is not very high at present. Incidentally, the emergence of the EEC has led to a rapid increase in the number of industrial factories. Both existing industries that have expanded new production bases in the EEC area and new investments from industries that have received support from the government, namely the BOI, so it is expected that hazardous waste may increase in quantity and type. When the situation of COVID-19 decreases

From the aforementioned results, the company began to recover from the recession caused by the past COVID-19 situation.

### 2.5.5 Finance Risk

According to the country's economic situation in 2022 that has changed from the COVID-19 situation, resulting in business operations in 2022 are likely to experience more severe problems. Therefore, the company has given importance to financial liquidity management. And study various measures to be used to prevent impacts on profits. and financial position of the Company

### 2.5.6 Digital Transformation and Harassment Risks Rights in personal data according to the Personal Data Protection Act B.E. 2562

In the past decade, the world has undergone a digital transformation. that happened at a rapid pace, causing the advancement of information technology Including the communication system has developed rapidly. make access collection Use and Disclosure of Personal Information It can be done easily, conveniently and quickly, which may lead to damage to the owner of the information. As a result, there are more violations of personal data rights.



### 2.5.7 Risk from Cyber Threats

Cyber Threat Risk It is an important issue and affects the Company's operations, especially important tasks such as network system, financial system, accounting, internal management system and human resources. This work system also contains personal information held by the Company. If there is a problem with the information technology system of the company, Access to personal information held by us will affect our operations and reputation.

### 2.5.8 Emerging Risks

#### 2.5.8.1 Risks affecting global economic slowdown/Thailand slowdown Situations and trends in birth (Scenario)

Political wars between groups and countries such as

- International Korea or with South Korea, Japan, etc.
- between Russia and NATO countries

#### Impact on the Company (Impact to AKP)

which may intensify in the future. It will affect the slowdown in investment in the industry, and has an impact on trade and investment. Industrial production in Thailand, such as in various industrial estates in the eastern region such as the EEC, which is an important customer base of the company.

#### 2.5.8.2 Risk from Avian Influenza Pandemic Situations and trends in birth (Scenario)

From the case of the death of an 11-year-old Cambodian girl from avian influenza on February 22, 2023, after more than 10 years of infection, and in addition, the child's parents were also infected. and around January 2023, In Peru, more than 700 sea lions have been found dead on beaches from avian influenza. Thailand in the past, there were 3 rounds of outbreaks from the end of 2003-2006, with a total of 610 sick people in 60 provinces, destroying more than 600 million chickens, affecting a wide area, including the tourism sector. Therefore, the opportunity that Thailand borders with Cambodia and has trade contacts cross-border trade. Traveling with each other all the time. Therefore, it is likely to be affected as in the past.

#### Impact on the company (In pack to AKP )

The outbreak of the epidemic may affect the communication, travel, transportation between customers and the company. Like the past COVID-19, the suspicion of fearing the outbreak has affected the operational efficiency of both customers and the company. Company which has an impact on the business of the Company and stakeholders.



### 3. Business drive for sustainability

#### 3.1 Sustainability Strategy

Business operations in 2022 is a time when the company has implemented the sustainability strategic plan, the second map according to the economic strategic plan on good corporate governance and environment

From the results of the implementation of the sustainability strategic plan in the past year 2022 due to the global situation due to COVID-19 has improved respectively and the company Has prepared guidelines for business recovery after the crisis, so that it can continue and sustainably run the business. As a result, the company has progressed and developed in various areas in many areas, such as receiving the Sustainability Investment Award "Thailand Sustainability Investment 2020-2023", receiving the Sustainability Disclosure Recognition Award from Thaipat Institute for the 4th consecutive year

And during the year 2022, innovations have been invented for use in business operations both in the burning of hazardous waste and in marketing to meet the needs of stakeholders. Bring new technologies to use in the management of many projects. and received the standard of industrial waste management factory Gold plus in 2020

But at the end of 2019 and continuing until 2021, the world faced severe economic disruption. Due to the outbreak of the severe epidemic, COVID-19, the company has to face such problems like other businesses around the world. "Reducing the risk from external factors" related to the serious threat from the COVID-19 epidemic additionally and in 2021, a strategy for the environment is Business management strategy during the COVID-19 epidemic in order to reduce the impact on the Company's stakeholders. both inside and outside the organization by assigning departments/personnel responsible for preparing measures to prevent and avoid To reduce the impact and have also prepared a plan to support the situation when COVID-19 has decreased in intensity or stopped the outbreak And many measures have been included in the sustainability strategic plan in the second phase, which is between the years 2021 - 2023 as well.

From the results of the analysis of the results of the implementation of the second phase of the plan for 1 year, including the results from the analysis of global changes in both the environment And the trend of business changes during the past 1 year, the company has therefore redefined some of the business operations according to the 2nd year of the second-year sustainability strategic plan based on the principles set out in the vision, commitments Corporate Values and corporate culture and policy management goals Sustainability with the intention and determination to drive the business by taking into account ESG (Environment, Social, Governance) in environmental issues. The Company is committed to reducing the environmental impact caused by the Company's business operations. Especially to reduce the greenhouse gas problem. and the concept of applying the economic model for sustainable development: the BCG Model in business which will be a part in building stability Confidence in environmental stakeholders And the business of the company The company is committed to social operations by adhering to laws, rules and regulations related to social management. and respect for



human rights along the value chain on the issue of good corporate governance Be aware of important stakeholders both inside and outside the organization. It aims to meet the expectations of stakeholders to the full potential of the organization.

### 3.2 Strategies for Sustainable Development

#### 3.2.1 Corporate Governance Strategy

##### Strategy 1

##### Preparing to keep up with global trends

At present, technological knowledge has been developed rapidly and continuously. can be used in today's world in all dimensions, causing development in every In a leap through the use of new technologies and innovations and along with the above advancements. The world was experiencing a state of change. Climate change that is exponentially more severe due to global warming caused by greenhouse gases (Greenhouse gases) affecting the food chain of humans and animals and causing more severe natural disasters according to No. Therefore, in order to prepare the company to be able to keep pace with the dynamics of the world

The company is therefore committed to strengthening the organization's readiness to cope with changes and risks under the new world context by formulating a strategic plan to strengthen the company's personnel. that play an important role in driving the organization to develop to its full potential To use and/or develop innovations with advanced technology for the management of hazardous waste incineration services.

In the 2nd phase of the sustainability strategy that is being implemented for the 2nd year, the company has planned to apply international standard systems as the basis for management in all dimensions. in terms of economy, society and environment, namely ISO 9001, ISO 14001, ISO 45001 and ISO 26000. has been operating the business of the company achieve sustainability continually by introducing the BCG (Bio-Circular-Green Economy) business model to be used in all work systems of the company, for example, towards becoming an eco-industry It is committed to conducting business according to the principles of Green Economy by elevating the level of business operations to green industry level 5 until it was successful in the year 2022 and integrated industrial waste management according to the strategic plan of the Department of Industrial Works. taking into account environmental sustainability social aspects and to meet the expectations of stakeholders covering all dimensions.

### 3.3 Economic Strategy

#### Strategy 2

##### Business Plan

After studying potential risk factors in the ESG and business aspects of the company, the company has used the results of the analysis to prepare a business plan. for expanding the market for hazardous waste disposal services as follows:

##### 1) Market expansion for hazardous waste disposal services

1. Industrial waste water with innovation to take advantage to reduce wastewater that must be incinerated Destroy and become a circular economy business.



2. Major chemical deterioration that affects the environment such as causing greenhouse gas emissions and public health.

- Agricultural chemicals, both chemicals and packaging

- Chemicals that have a high global warming potential (Global Warming Potential: GWP) such as HFCS, PCFS, etc.

3. Hazardous waste from the e-Waste group, such as Battery of vehicles in the eV group, etc.

4. Hazardous waste from solar cell panels

## 2) Reduce energy costs

By managing the utilization of heat energy from industrial waste instead of fuel. (natural gas)

## 3) Operate business sustainably

by applying international standard systems as the basis for management in all dimensions both in terms of economy, society and environment such as ISO 9001, ISO 14001, ISO 45001, ISO 26000

## 4) Towards an eco-industry

### Strategy 3

#### Hazardous waste disposal technology development

In the first phase of the plan, the company Has studied and developed the current incinerator system to be able to dispose of hazardous waste to cover a wider variety of hazardous waste, such as the disposal of hazardous waste in the e-waste group, which day by day there are problems in terms of hazard and increasing amount. Hazardous waste disposal from Hybrid Battery and Recycle Hybrid Battery Nickle and Lithium – ion groups, which is a past technology that has been imported to replace the use of gasoline vehicles. These current fuels and batteries are hazardous wastes that have occurred in Thailand for many years. and will increase accordingly in the near future Due to government policies that support the use of tax reduction and greenhouse gas emissions from the use of Fossil fuel in the past, the company The study was conducted to improve the hazardous waste incineration process both in the process of controlling the combustion temperature. Entering e-waste into the incinerator, collecting collect heavy ash from incineration and In order to be able to reuse some of them for use or reuse according to the principles of the Circular Economy, the Company has set up a working group to study the process of applying the principles of the Circular Economy to certain groups of hazardous waste (such as e – Waste). , Solar cell ) before entering the incineration process

### Strategy 4

#### Invention and innovation

The company is aware of the new development context that has changed to the digital economy and society. resulting in wider and more intense business competition Therefore, the company therefore giving importance to innovation that will be applied to the business of the company To restructure the manufacturing and service sectors towards an innovation-based economy for sustainable development. The company has implemented a policy by supporting the company's personnel. that has been operating for a period of time and have been developing and training knowledge in the area of responsibility for a period of time brought knowledge



and expertise And experience in related work to present ideas for creating innovations to be used in the performance of both potential and increasing efficiency in every aspect, such as innovations that can be used to replace labor that will begin to lack in the near term innovation to reduce both direct and indirect impacts on the environment Innovations used to reduce/substitute energy consumption. or use waste from hazardous waste disposal by incineration and innovations used in marketing promotion management and customer satisfaction management, etc.

**Innovation Strategy Implementation** The company has invented innovations for use with the hazardous waste incineration system from 2018-2021 to 17 projects and in 2022 another 2 projects.

In this second phase development plan, the company is committed to developing its personnel. To have the skills and abilities to develop new innovations to be used in the management of industrial waste to a higher level. to be used for further development

### **3.4 Environmental Strategy**

#### **Strategy 5**

##### **greenhouse gas reduction**

Due to the business operations of the company. Cause greenhouse gas emissions directly (Scope 1), indirect (Scope 2) and other indirect (Scope 3) because in the burning of hazardous waste using heat requires energy and raw materials such as Electricity, natural gas, fuel, as well as chemicals that cause CO<sub>2</sub> and NO<sub>x</sub> gases, which are greenhouse gases. In addition, the incineration of some hazardous wastes contains carbon which, when incinerated, also generates CO<sub>2</sub> gas.

The company is aware of the problems that arise from the business operations of the company. Due to greenhouse gas emissions that directly and indirectly affect the global environment, the Company has determined the reduction of greenhouse gas emissions as an important strategy that must be implemented in its sustainability strategy. Sustainability in Phase 2 with the following key action plans:

1. Study on greenhouse gas emissions from the Company's business operations, both direct and indirect, and use them to create a plan to reduce emissions over the next 5, 10 and 20 years.
2. Prepare the "Corporate Greenhouse Gas Emission and Absorption Report" every year continuously since 2014.
3. Request verification and certification "The Carbon Footprint of the Organization"
4. Prepare a plan to reduce greenhouse gas emissions. From using natural gas as fuel to incinerate 1 ton of waste, set a goal of greenhouse gas emissions not exceeding 0.3 tonnes.

#### **Strategy 6**

##### **energy saving**

The company has given importance to running the business according to the energy saving strategy because energy, in addition to being an important factor and is an important production cost for the company's business operations. In addition, the energy used by the Company in managing its business also plays an important role in contributing to the emission of greenhouse gases that are high. Significant environmental





impacts on changing the global environment. In the implementation of energy saving, the company has the following guidelines for action

1. Announce the “Energy Saving Policy” and consider energy conservation as part of the organization's operations.
2. Conduct detailed surveys, records and measurements of the use of energy resources each year. It will be analyzed in order to plan for the preparation of energy saving measures and prepare an “Annual Energy Management Report” sent to the Department of Alternative Energy Development and Efficiency every year.
3. The company has implemented energy saving according to Energy Conservation Promotion Act (Revised version 2007) since 2008
4. The company has given importance to inventing new innovations. Every year, from the first phase of the sustainability strategy to the present

### 3.5 Social and Human Rights Strategy

#### Strategy 7

##### social practice respect for human rights and responsibility to the community

Akkhie Prakarn Public Company Limited realizes and gives priority to social development and respects human rights in accordance with sustainable development guidelines. And regularly understand the needs and expectations of the communities surrounding the operational sites. To build a good relationship and acceptance from the surrounding community. resulting in business of the company can operate continuously without causing any interruption. This is reflected in the results of various projects and activities both in the area around the factory and nearby communities, along with business operations that take responsibility for the community and society and respect human rights for sustainable mutual growth.

The company has set up a social responsibility system. And sustainable development is an important strategy to be implemented in all sectors of the supply chain involved.

In the operation of the Company in 2022, the Company's Corporate Social Responsibility (CSR) Committee has been established according to the AKP 05/2565-001 announcement and a working group has been appointed to establish the Company's Corporate Social Responsibility System ( CSR) according to Announcement AKP 05/2565-002 to take responsibility in various areas, all 6 sets. In respect of human rights, the company has announced as a policy according to Announcement AKP 01/2566-012 to require related parties to conduct The following details are strictly followed.

- (1) Working Group on Corporate Governance
- (2) Working Group on Human Rights, Labor Practices
- (3) Working Group on the Environment
- (4) Working Group on Fair Operation Practices
- (5) Working Group on Consumer Practices
- (6) Working Group on Community Participation and Development

In the appointment of various committees and working groups, the company has begun concrete operations in the year 2018 and in 2019 has continued until 2022 because the company Be aware of business



operations for sustainability And responding to the expectations of stakeholders requires good corporate governance. Which good corporate governance requires a person to be responsible for the details of every aspect of business operations, which within 3 years that is a short term plan The Company aims to drive and control the operations of these committees to be efficient and effective. To be a part in responding to the expectations of stakeholders in a sustainable manner.

In the 2nd phase of the sustainability strategic plan in the year 2021, the Company has defined the 2nd phase of the corporate sustainability strategy for 3 years from 2021 to 2023 as follows: and has a policy to evaluate and revise the plan keep up with the situation every year

In terms of human rights, the Company has revised its human rights policy. "Human Rights Policy, enacted on 31 January 2022

Sustainability Strategic Plan	แผนดำเนินการ
Strategy 1: Preparing to keep up with global trends	Continue There are evaluations, improvements, corrections and/or additions in line with social changes every year.
Strategy 2 : Business Plan	
Strategy 3 : Hazardous waste disposal technology development	
Strategy 4: Invention and innovation	
Strategy 5 : greenhouse gas reduction	
Strategy 6: energy saving	
Strategy 7: Social and human rights practices and community responsibility	

#### Identification of material business issues

##### 1. Analysis of internal and external issues

##### 1.1 Important external factors

##### (1) business competitors

There is an increasing number of competitors in the same hazardous waste incineration business. And there are many large industrial plants that use heat in the production process to incinerate hazardous waste and destroy it at the same time as producing products. using legal gaps without a pollution treatment system Hazardous waste is also taken through other disposal processes.

##### (2) Decreased Energy Supply/Increased Price

The company uses heat energy. (Natural gas NG) in burning a large amount of hazardous waste. which is an external factor that directly affects the stakeholders because at present the price of NG is higher due to the decreasing reserves And there is a group of manufacturers that can control the price. It is also used in higher quantities. And thus affecting production costs higher resulting in less return on investment



### **(3) Illegal waste destruction**

This is because law enforcement of those responsible for illegal dumping/disposal is not effective. Since the amount of waste that accumulates and increases each year is large, the number of law enforcement officers is small. Therefore, the law can not be controlled thoroughly. Waste generators therefore choose to reduce costs by smuggling/disposing themselves or finding an assistant to do the process because there is a cheap service fee. Legitimate service providers therefore cannot reach such customers.

### **(4) law enforcement of relevant agencies**

Hazardous waste incinerator plant that the company manages and operates Constructed by the Department of Industrial Works where the Company is the concessionaire for management. and must operate in accordance with relevant laws waste incineration Treatment of pollutants caused by combustion methods of hazardous waste disposal, including legislation to incinerate only certain types of waste In the past 15 years, relevant agencies have issued such laws to enforce continuously. making it a huge obstacle to the waste incineration process for businesses in order to reduce As a result, the Company Has studied new innovations to use in the burning of new and emerging waste that tends to be higher in volume and still does not have a form or method of disposal that is scientifically correct, such as e-waste ) waste from batteries from hybrid cars that have reached the end of their life etc. and since 2020, the company It has been studied and started to be used for disposal by incineration at present until it has satisfactory success.

### **(5) Technological advancement**

Nowadays, the world has developed new technologies to be used in all areas, increasing rapidly and with higher efficiency. Resulting in fast communication and wide use. AI (Artificial Intelligence) is used to help in production, reducing labor and increasing work efficiency.

### **(6) Incineration of waste that is not friendly to the environment**

Currently, government agencies have allowed some groups of industrial factories that already use heat in the production process to incinerate hazardous waste. without having a waste treatment system from combustion Allows factories to take hazardous waste into the process of recycling valuable parts and making New wastes such as gases, solids, liquids are created that are more dangerous than before. (Even if there is a smaller amount) that has not undergone a proper disposal process according to the academic principle. Therefore, the company is unable to accept a large amount of hazardous waste for disposal. as before, or can be obtained with reduced quantities and lower prices.

### **(7) Increased amount of hazardous waste**

At present, the government sector has increased measures to inspect or set standards for controlling waste disposal or disposing of waste incorrectly according to academic principles. In addition, the public sector and NGOs are paying more attention to health and the environment. As a result, the smuggling of hazardous waste to be disposed of or disposed of illegally will decrease, which should result in more hazardous waste entering the system in the future.



#### **(8) climate change (Greenhouse Gas Reduction Policy)**

Due to the changing climate due to the increase in temperature caused by GHG and the global environment. There is a rapid increase in extreme changes, such as the melting of icebergs. and the forest area is rapidly decreasing from being burned and destroyed by nature And humans generate dust and toxic fumes. causing the weather to changed more drastically Longer and more frequent occurrences Causing severe impact and damage to the global environment Both directly and indirectly, the company is aware of such problems. Therefore, it has started to study and bring the company into the GHG reduction process since 2018 to the present, such as handling reports on emissions and reducing greenhouse gases. The company's glass produces the Carbon Foot Print, registers the Carbon Label, receives the Carbon Footprint mark of the product and of the organization. Able to reduce energy consumption continuously until now

#### **(9) Business administration during the New Normal period**

External factors that are extremely important to the global economy and society from 2020 to 2022 have been severely impacted globally and especially to the Company. which has resulted in both decreased business conditions and expenses in measures that the company Investments must be made to reduce the impact of the epidemic on internal employees and stakeholders. and from such effects The company has adapted strategies that must be implemented in 2022 in many ways in order to cope with the continued economic slowdown.

#### **1.2 Important internal factors**

##### **(1) Hazardous Waste Incineration System**

The hazardous waste incinerator of the Department of Industrial Works was built. And Akkhie Prakarn Public Company Limited is the concessionaire to manage and operate at present. It is the first hazardous waste incinerator that has been built in Thailand, according to UPA standards, using advanced technology, has an incineration system and a system for treating pollutants arising from the incineration process. modern and technically correct therefore gaining the trust of companies or customers who use the service who want to receive international standard certification such as ISO systems at all levels to use a large number of services At present, the company has managed industrial waste incinerators for 15 years. system by bringing new technologies and innovations available today. This increases the efficiency of the incineration system. and a higher pollution treatment system At present, it affects the aspect of reducing energy consumption. maintenance cost reduction reduce the use of migrant workers Including reducing the impact on the environment at a satisfactory level.

##### **(2) laboratory**

in factory construction An analytical laboratory has been built. which consists of important analytical tools required to analyze hazardous waste before incineration, such as bomb calorimeter, X-ray machine, Spectrometers, spectrophotometers, Flash point Tester, etc. In addition, the company also has Chemists, laboratory staff with experience in analyzing who have been registered as supervision of analytical laboratories, 1 person, and 6 analytical laboratory staff, as shown in the "Book of the Department of Industrial Works No. Chest 0310/( 1) 9758, dated July 12, 2018. In addition, the company's laboratory has also received a "licence to possess



or use a radiation generator" from the Office of Atoms for Peace "No. 0404/8061. dated June 19, 2017" is currently registered. "private analysis room" that can receive private analysis that can be analyzed according to "Letter of the Department of Factory No. Chest 0310/(1) dated 12 July 2018"

For the aforementioned reasons, the company manages the incineration of hazardous waste safely and can effectively and safely control the incineration process and treat pollutants arising from incineration. Because the laboratory can be used to analyze the waste before bringing it to the correct incineration process. And can be used to effectively treat pollutants caused by incineration.

Incidentally, in 2021, the laboratory's personnel conducted research to create innovation in separating wastewater into condensed sediment and clear water. This makes it possible to reduce the amount of wastewater sent to incineration and get water that can be used to reduce the temperature, and in 2022 it has been improved and developed to be more efficient and has been used continuously until now.

### **(3) Some migrant workers are still used.**

Due to the hazardous waste that is burned and destroyed in the company's factory. It is waste that occurs from a variety of production processes and from factories that have production sizes ranging from small to large scale. It is a waste that has a variety of physical characteristics. There are solids, liquids, gases and solids. Liquids are mixed together. and chemicals are both highly dangerous, such as Organic Peroxide, so before the company's incineration Physical characteristics must be sorted out to be fed to the furnace. and for the proper incineration of the system must separate groups of chemicals To limit the amount of incineration in such a way that when incinerated, it will not cause harm to the incineration system and to the pollutant treatment system. Therefore, it is still required. There are a number of migrant workers (19 people), although in 2019-2021, the company has created innovations and implemented many items that have partially reduced migrant workers. But because the company is aware of the problem of migrant workers that may be moved due to factors outside the company. Therefore, research has been conducted to find innovations to be used in hazardous waste feeding. into the kiln, thus reducing the use of labor by a certain amount. As part of the innovations in 2020 - 2022, the current impact can be partially reduced.

### **(4) Experts/experts in burning hazardous waste**

Due to the variety of wastes generated from industrial plants, including solids, liquids, gases, as well as wastes that contain hazardous chemical elements, care must be taken in moving and storing them safely. There are also hazardous wastes that, when burned with heat, produce hazardous pollutants that must be properly treated according to science before releasing the gas from incineration into the atmosphere. And some chemicals explode when heated. Therefore, it is necessary to have an expert or experienced person to inspect, store and feed into the kiln. and the burning of the aforementioned dangers



## **(5) Cost of incineration**

In the scientifically correct incineration of waste, the temperature must be controlled at a minimum of 850 °C, and some chemicals require a heat of incineration as high as 1,200 °C in order to completely incinerate without causing pollution. continuously and waste in Thailand from information that the Company Pick up and dispose during a period of 15 years, found that it is a waste that has no value. hot or very low calorific value And more than 75 percent of the waste is liquid to be eliminated. Therefore, in burning, it requires a large amount of fuel (NG gas), causing the burning cost per unit to be high. However, during the year 2020-2022, the company has studied, created new innovations and developed some of the outdated kiln technologies. Then it can greatly reduce the amount of energy consumption. But on the other hand, the price of energy, both natural gas and electric power, has been increasing steadily as well.

## **2. Identification of material business issues (Materiality)**

Akkhie Prakarn Public Company Limited has divided stakeholders into 7 main groups and has analyzed their participation. and expectations of stakeholders with the Company Then take into account the form or channel to create Participate and analyze ways to respond to expectations. However, in such consideration, the results of operations in the past years will be taken to analyze whether there are any issues that need to be continued. or has not yet been completed and taken into account for the assessment in the year 2021 and then summarized as what needs to be done As shown in the analysis table of 2022

## **3. Procedure for assessing materiality**

### **(1) Step 1 Issue Identification**

In the year 2022 and the past years, the world has developed more rapidly in technology. especially in communication technology This has resulted in the invention of new innovations and has been applied to businesses in Many branches are increasing rapidly, therefore, it is part that causes the business environment to change rapidly. Akkhie Prakarn Public Company Limited is aware of such conditions and has analyzed various factors related to operations. of the company both economically, socially and environmentally which may affect internal and external stakeholders and outside the organization Therefore, it has always been used as an issue in the importance of inventing new innovations in the development plan in the first phase and the second phase, which is between 2018-2023 and has also been used in the development of technology used since 2008 to the present to be more efficient



## akeholder Engagement 2021 - 2022

Stakeholder group	Importance of Participation	Features or Channels to create engagement	Stakeholder's Expectation	Response to Expectation
Shareholders/ investor	Shareholders / Investors / who support investment for investment expansion as well as enhancing business growth	<ul style="list-style-type: none"> <li>Annual shareholders' meeting</li> <li>Annual report/</li> <li>Sustainability Report</li> <li>Announcement of quarterly operating results.</li> <li>Activity of shareholders visiting the organization</li> <li>Investment exhibition</li> <li>Complaints through complaint channels</li> <li>Opinion meeting</li> <li>Regular electronic and telephone communications.</li> <li>Meeting with investors through various activities</li> </ul>	<ul style="list-style-type: none"> <li>Providing a concrete return on investment and continuous growth.</li> <li>Fair and transparent business operations that can be audited. Disclosure information sufficiently and timely.</li> <li>Grow your business. to increase the value of the organization</li> </ul>	<ul style="list-style-type: none"> <li>Disclose accurate and timely information transparently and equitably according to the regulations of the Stock Exchange of Thailand</li> <li>Pay dividends appropriately and by AKP's dividend policy.</li> <li>Preparation of an annual report (One Report) Sustainability Report (SD Report) to provide information to shareholders and investors about AKP's business and performance.</li> <li>Organizing the shareholders' meeting and meeting the management activities, so that shareholders can ask questions and express opinions</li> <li>Shareholders can propose meeting agendas and names of directors in advance, to present to the Annual General Meeting of Shareholders</li> <li>Adding information disclosure channels to ensure complete and up-to-date information, by communicating through electronic media and mass media (www.akkhie.com)</li> </ul>
Creditor/Financial Institute	Creditors/Financial Institutions is a sponsor and fund to expand the growth of the organization	<ul style="list-style-type: none"> <li>Information clarification meeting and information exchange, to resolve the obstacles from time to time.</li> <li>Project visit</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with relevant laws.</li> <li>Financial discipline and the ability to pay the debt.</li> <li>Fair and transparent business operations.</li> <li>The ability to develop and expand the business.</li> </ul>	<ul style="list-style-type: none"> <li>Strictly follow the debt repayment plan.</li> <li>Analyzing and forecasting revenues as well as managing financial risks.</li> <li>Prepare a repayment plan by the revenue projection.</li> </ul>



Stakeholder group	Importance of Participation	Features or Channels to create engagement	Stakeholder's Expectation	Response to Expectation
Customers/users are those who send hazardous waste to the company for incineration.	It is of paramount importance to the organization in running its business. It must understand the customer's needs or objectives, feelings, concerns, and behaviors to deliver related products and services to meet the needs that will strengthen both short-term and long-term bonds.	<ul style="list-style-type: none"> <li>Communicate via Application Software</li> <li>Newsletters through media/agenda/newspapers</li> <li>Communicating via electronic systems (www.akkhie.com) and regular telephone calls.</li> <li>Annual customer survey.</li> <li>Opening/inviting customers to visit the factory.</li> <li>Meeting with customers to present technical information related to the use of the Service.</li> <li>Complaints through complaint channels (www.akkhie.com).</li> <li>Document preparation to clarify the incineration and pollutant treatment processes of the factory</li> </ul>	<ul style="list-style-type: none"> <li>Quality and service both before and after the service.</li> <li>Providing services that are punctual and can be monitored. service at any time</li> <li>It is a service (burning hazardous waste) that is friendly to the environment.</li> <li>Safety in visiting and inspecting the incineration of customers' waste.</li> </ul>	<ul style="list-style-type: none"> <li>Information and conditions in the purchase agreement are reviewed and confirmed by the guidelines in the sales manual every time.</li> <li>Strict compliance with the goods inspection and delivery manual.</li> <li>There is quick access and troubleshooting. when knowing that the customer encountered a problem using the service</li> <li>Environmental management by the rules and regulations of the law wholly and accurately.</li> <li>Technical Disclosures and technical with customers in using the service to destroy the hazardous waste of customers</li> </ul>
Partners/Contractors are <ul style="list-style-type: none"> <li>Contractors and employees who come to work for contractors outside the Company's factories according to the law.</li> <li>Company/department store trading with the company</li> </ul>	Partners/contractors will support the organization to perform and deliver quality work on time. and create works customer satisfaction <ul style="list-style-type: none"> <li>Third-party is the person who checks and advises on the company's operations by the law.</li> </ul>	<ul style="list-style-type: none"> <li>Partner meeting and annual contractor to inquire about the condition of problems in the joint operation</li> <li>Meetings to highlight a transparent business system without corruption and corruption.</li> <li>Regular communication via electronic media and telephone.</li> <li>Complaints through complaints channels</li> <li>Attending meetings to summarize the analysis results and receive advice from third parties.</li> </ul>	<ul style="list-style-type: none"> <li>Fair and transparent procurement.</li> <li>Remuneration that is motivating and appropriate to performance.</li> <li>Strong financial position and timely payment of wages and returns.</li> <li>Support for site preparation and facilitating third-party operations.</li> </ul>	<ul style="list-style-type: none"> <li>Establish an international, transparent procurement system to prevent conflicts of interest.</li> <li>Comply with the policy / Sustainable Sourcing Guide.</li> <li>There is an anti-corruption policy. corruption and promote fair treatment of trading partners</li> <li>Developing partners by introducing them to knowledge and understanding on sustainability. for joint development in sustainability</li> <li>Implement strict occupational health and safety measures. For the safety of the dog owner and partner</li> </ul>





Stakeholder group	Importance of Participation	Features or Channels to create engagement	Stakeholder's Expectation	Response to Expectation
<ul style="list-style-type: none"> <li>Third-party people who come to inspect the company's operations according to the law, and those who come to inspect the environmental impact every month</li> </ul>				<ul style="list-style-type: none"> <li>Provide a work plan/schedule for completion, along with a transparent audit process</li> <li>Organize training for safety knowledge and distribute accident prevention equipment to employees of contractors who come to work.</li> </ul>
Employees are those who work directly within the organization	<p>Employees of the organization play an important role in producing work and delivering quality services to customers. This requires an understanding of needs, challenges, and aspirations. To support implementing projects/activities in line with the organization's strategies.</p>	<ul style="list-style-type: none"> <li>Executives meet quarterly employees.</li> <li>Annual Employee Engagement Survey.</li> <li>Communicating important information about the organization through electronic media within the organization.</li> <li>Employee potential assessment every 6 months and 1 year (KPI)</li> <li>Employee participation through various committees' channels <ul style="list-style-type: none"> <li>Welfare Committee</li> <li>Occupational Safety and Health Committee (CDC)</li> <li>Energy Board</li> <li>Board of Directors 5 S.</li> <li>Board of Savings and Credit Cooperatives</li> <li>white factory board</li> </ul> </li> <li>Meeting to exchange ideas between the line heads and employees in the agency every morning between 8:00 a.m. – 8:30 a.m.</li> <li>Complaints or comments through complaint channels.</li> <li>CSR activities</li> <li>Relationship-building activities through sporting events, and annual gathering</li> </ul>	<p>Fair compensation and benefits Incentive and comparable to the same business</p> <ul style="list-style-type: none"> <li>There is a fair compensation structure, by assessing the performance</li> <li>have benefits in various fields such as medical treatment, particular welfare</li> <li>Stability in life from the sustainability of the company.</li> <li>Opportunities for advancement in the field of expertise, and ability</li> <li>Safety at work and occupational health.</li> <li>The body of knowledge has been developed according to practice.</li> <li>There is a good environment within the factory that encourages a happy working atmosphere.</li> <li>There is equality in practice, and being in the organization</li> </ul>	<ul style="list-style-type: none"> <li>Determine a fair compensation structure based on performance appraisals.</li> <li>Review compensation and benefits every year.</li> <li>Establish a performance evaluation system with clear KPIs.</li> <li>There is a training system to educate new employees at all levels.</li> <li>Employee Training Plan To promote potential, develop knowledge and abilities as well as develop the minds of employees</li> <li>Organize an annual sporting event.</li> <li>Organize internal activities such as New Year's party, the watering ceremony for executives and senior staff, making merit, and giving alms every month.</li> <li>Annual health check</li> </ul>



Stakeholder group	Importance of Participation	Features or Channels to create engagement	Stakeholder's Expectation	Response to Expectation
Society/community is <ul style="list-style-type: none"> <li>Group of industrial operators in Bangpoo Industrial Estate around the Company</li> <li>Community surrounding the factory such as residential communities, Government offices, temples, religious ceremonies, schools</li> <li>Place to relax and attractions</li> </ul>	The society/community surrounding the factory is like neighbors that have to live together for a long time, needing to build good relationships together. to create long-term mutual values and create a bond and trust with each other	<ul style="list-style-type: none"> <li>Listen to opinions and visit the community. build confidence</li> <li>Participate in activities to improve the quality of life for people in the community.</li> <li>Teaching activities for younger students in educational institutions to provide knowledge on the correct separation of hazardous waste.</li> <li>Public relations to enhance knowledge on electronic media channels and others such as meeting together.</li> <li>Open to educational institutions. government and private agencies business visit</li> <li>Participate in cleaning campaigns, religious sites, and nearby tourist attractions.</li> </ul>	<ul style="list-style-type: none"> <li>Operate responsibly without causing negative impacts on society and the environment.</li> <li>Taking care of the environment and safety and promoting the quality of life in the community.</li> <li>Reduction of impacts from the Company's operations on society and communities such as air quality due to the Company's operations.</li> <li>Supporting community activities such as supporting waste sorting. career promotion</li> <li>Solving problems and developing communities and society.</li> <li>Preventing severe incidents that affect the community.</li> <li>Participate in community development</li> <li>Engage with the community and be open to feedback.</li> </ul>	<ul style="list-style-type: none"> <li>Listen to opinions, problems, and complaints.</li> <li>Collaborate with communities to carry out activities/projects on occupation, health, education, and cultural preservation. and traditions along with exercises to develop community places to be pleasant</li> <li>Communicate with the community by visiting the area to meet and listen to opinions through community leaders in meetings and participating in activities such as Children's Day, Songkran Day, religious holidays.</li> <li>Set up a working group to meet the surrounding communities. Inquire about problems related to factory impacts. to bring improvements</li> </ul>

## (2) Step 2: Results of materiality assessment of the Company's sustainability issues

Akkhie Prakarn Public Company Limited has taken the issues analyzed in Step 1 to prioritize sustainability issues for the year 2022 by responsible agencies by taking into account 2 dimensions: the first dimension consider The level of importance to the business operations of the company in economic, social and environmental aspects, and the second dimension is the level of importance that affects stakeholders

## (3) Step 3: review of assessment results

Akkhie Prakarn Public Company Limited has reviewed and verified the completeness and accuracy of significant issues. by a special agency established From the level of the head of the department related to sustainability then presented to the executives of the company for approval

### Sustainable Supply Chain Management

#### 1. Characteristics of the supply chain

Akkhie Prakarn Public Company Limited is a company that provides industrial waste incineration services to industrial operators. Therefore, it is classified in the service industry group. Therefore, the nature of the supply chain has the following elements.Middle Stream Upstream Downstream



## 2. Sustainable management with suppliers

### 2.1 Implementation guidelines

#### (1) Vision and objectives

The Company is committed to implementing the Sustainable Supply Chain Management Framework according to the UN Global Compact, which consists of 6 steps, which are used in the implementation of supply chain management. to achieve sustainability The important steps are commitment, scope assessment. Establishing a group of partners, taking action, measuring, monitoring and disclosing information

#### (2) Supplier Code of Conduct

Akkhie Prakarn Public Company Limited (AKP) is committed to conducting business for sustainable growth. Along with corporate governance for the community, society and environment. In order to effectively achieve the aforementioned intentions, the AKP places great importance on supply chain management. And develop concretely through the supervision of trading partners. Therefore, the "Code of Conduct of Business Partners" has been established.

### 2.2 Assessment of suppliers from the supply chain

#### (1) Group of business partners of the company

The company operates in the service industry group, providing service for burning hazardous waste from the industry. There are 5 groups of important trading partners of the Company as follows:

1. The seller is the seller of machinery and equipment. Construction materials, maintenance, office supplies, etc.
2. The contractor is the contractor who repairs the machinery and equipment of the factory. Builders and/or installers of machinery and equipment that need to be improved/added to increase the efficiency and potential of the factory to be higher.

#### (2) Assessment of the boundaries between the Company and business partners

In procurement-hiring management, customers in group 1-3 are considered an important group because they are related to waste incineration. which is the main activity of the Company directly, they are considered as key suppliers. Must perform an outsourcing contract with the Department of Industrial Works that must be performed may be regarded as a group of strategic suppliers (Strategic Suppliers).

### 2.3 Designation of trading partner groups

**The Company's major trading partners are contractors.**

In operating the company's business, which is the burning of hazardous waste, there are specific machines and equipment that require specialists such as maintenance and installation of equipment. or installation of pollution equipment/equipment equipment which when born Damaged or expired, it is necessary to have this group of contractors come into operation. And it is necessary to act quickly, otherwise it may cause damage to the customer and the company in many ways and the cost in this area will be the highest.



## 2.4 Guidelines for doing business with business partners

### (1) In determining roles and responsibilities in supply chain management

In the process of hiring a contractor/trading of various machinery and equipment to assemble replacement installations Or maintenance will be assigned personnel of the company. Important related matters are listed below.

- 1) Managing Director (Operation Line)
- 2) Operations Manager
- 3) Head of Maintenance Department - Head of Warehouse - Engineering Department
- 4) Head of Waste Incineration Department
- 5) Head of Occupational Health Department and safety
- 6) Corporate Management Manager - Head of Purchasing Department

## 2.5 Engagement with partners

Business partners, contractors are stakeholders that are extremely important to the Company. Therefore, the company Therefore, we have prepared an effective management (Planning) approach under the application of today's advanced information technology system to apply in planning and controlling throughout the supply chain. to prevent risks throughout the supply chain along with Examine the potential and follow up and evaluate the performance of the work, the satisfaction between them, and then bring it to improve and develop. It is also used to develop communication processes between each other to achieve flexibility and speed in accessing various information. The company has prepared "Plan to promote sustainable development with partners" by establishing a green procurement project. Started from 2018 to the present year 2022, for example, there is a development of personnel of the organization to be aware of green procurement methods by outsourcing on the topic of green procurement-hiring policy.

## 2.6 Processes/steps/methods/practices to mitigate various risks.

In taking action at this stage, the Company will use the results of the following steps to assess whether Which trading partners are likely to pose risks to the Company? If selected as a partner or proposing to be procured as partners as follows: hired as trading partners as follows: The Company has prepared an assessment form "Selection of New Vendors/Contractors" to consider and select in accordance with Objectives and corporate policies, as well as communicate requirements to partners for acknowledgment before bidding equally. Bidding and selection of contractors Selection Summary and procedures for performing the contract

## 2.7 Organize a Partner Meeting (Annual Partner Meeting 2022)

On December 15, 2022, the company held the 2022 annual meeting with its business partners on topics that the company had presented and allowed its business partners to discuss as follows: (There is a document for the lecture as a Powe point)

### presentation topic

- Notices and related policies
- Regulations and requirements for procurement



- 
- Rules and regulations for working for contractors

**(1) Announcements and relevant policies, including**

- Announcement of screening measures and prevent COVID-19
- Anti-Bribery and Corruption Policy
- Policy on Quality, Environment and Safety "Follow the rules, reduce pollution, think for development, customer satisfaction caring for personnel"

**target**

- Improve services to promote brand building
- GHG emissions from the organization decreased by 2% from the base year.
- No accidents in which employees are injured to the point of taking time off.

**(2) Procurement Policy "Green Procurement"**

- Procurement of products/services environmentally friendly or less impact
- Consider throughout the life cycle of that product or service.
- Implement a standardized management system in the process.

**3. Sustainable Customer Relationship Management**

Akkhie Prakan Public Company Limited has given importance to customers. which is a very important stakeholder focusing on serving and meeting needs and customer expectations in the operation of the company was aware of the importance of joint business operations between the Company with customers in confidence mutual trust, including honesty Therefore, the company has made an announcement "Transparency Business Operations Policy" and "Labor Practice Policy and respect for human rights", and the company also participated in the "Thai Private Sector Collective Action Against Corruption: CAC" project where Akkhie Prakarn Public Company Limited was certified. Membership (CAC) from the Thai Institute of Directors Association (IOD) between December 2022 and December 2025.

**3.1 Organizational Development for Customer Engagement**

In the year 2019-2022, the company has taken the results of the analysis of stakeholder participation among customers / service users to consider improving the organization. So that every part of the organization pays attention to customers by setting OKR (Objective and Key Results) goals of each part of the organization as the same goal, namely engineering department, operations department. Customer relations department, information department and sales promotion department And has been improving the model to be used in detail every year to the present. There is a work plan for 2022 based on the OKR (Objective Key Result) principle. so that customers can recognize the brand better and to adjust the image of the organization to be more efficient

**3.2 Presenting procedures for hazardous waste incineration services to customers.**

due to management The hazardous waste incineration service has many steps, causing difficulties for the customer to coordinate with the departments in the company's organization. Therefore, the company is aware of the problem. As such, a platform of customer service has been created to allow customers to access various services of the company without having to go through complicated service procedures and also have various

applications (which the company More developments in the future) to access different services. more convenient and faster

### 3.3 Application development for linking information with customers

The company has created and developed various applications with the purpose of the application to provide convenience. Speed up and reduce mistakes in legal proceedings for customers. and to reduce contact time Coordinate between companies With customers and most importantly, to meet the needs of customers in terms of information (Customer Requirements) in coordinating with the company. and with related agencies Starting from 2020 to the present and during the past period, it has been modified and developed to increase the potential and efficiency respectively, which are:

- 1) Application development for linking information with customers
- 2) Application CCTV on Smart phone
- 3) Line Official
- 4) Prepare proposals for event management services with customers.



## Customer relationship management

### 1. Implementation guidelines

The company is committed to developing potential. and raise the standards of service both inside and outside the organization to meet the highest customer satisfaction Strengthen long-term and sustainable relationships together.

In 2022, the company has implemented the following customer relationship management guidelines.

#### 1.1 Operations within the organization

Departments involved in customer relationship management of an organization Including the marketing and business development department consisting of information department, sales promotion department Customer Relations and the internal audit department at the end of 2021, between 11/11/2021 – 24/11/2021, there was a survey of the need for development training in 2022 and found that the marketing and business development department needs training. In the year 2022 up to 9 courses and the company has proceeded already in 2022. In addition, during the year 2022, there are 6 additional external training courses for staff in the



department. Examples of internal training are: The training of new entrants in marketing is an overview of the corporate marketing policy.

and training of course marketing staff “Marketing and Sales Strategies to Increase Customer Base”

### **1.2 Operations outside the organization**

Since 2020 until now, the company has brought this project that has been developed and used to further develop it as a new innovation of the company. with a purpose To provide convenience and reduce errors in legal operations for customers. And to reduce the time of coordination between the company. with customers and, most importantly, to respond Customer Requirements (Customer Requirements) in coordinating with the company. And with related agencies in 2022, the company would like to proceed as follows, such as sending personnel to clarify/educate customers on the storage of hazardous waste containers and making packages for transportation that do not cause leakage during transportation

### **1.3 Annual Audit Satisfaction Survey**

The company realizes the importance of customers who want to know details and potential. Efficiency of customer service usage before/during the use of the company's services Therefore, after the audit, the company will distribute a customer satisfaction survey on the audit of the company's services. It contains satisfaction information. from the assessment results and satisfaction with using the service, etc.

### **1.4 Satisfaction survey of customers to visit and watch the burning of goods.**

The company has a policy to provide services to customers in the waste incineration service that the customer sends to the company to operate. Therefore, the company offers the customer to be able to see every step of the process of providing such service and design a model. customer satisfaction survey (To inspect the burning of goods) with evaluation issues such as the service of Staff in the area of the building inspecting waste waste burning building area and expectations for improvements in the use of the service, etc.

### **1.5 Satisfaction survey of various agencies that have visited**

In order to provide services for the company's hazardous waste incineration. (Which is not many in Thailand) is beneficial to those who are interested in academic, technical and environmental impact reduction. The company is open to the private sector. Government agencies, educational institutions and nearby communities can visit the operation. And there was a briefing and a detailed visit to the factory. Therefore, for the company Has taken the opinions of the visitors in various fields to develop further, therefore issued "Satisfaction Survey (visit) includes e.g. hospitality/service Company environment analytical laboratory and occupational health and safety systems within the company, etc.

## **2. Open the door to fire project**

In the year 2022, the company Has welcomed customers to visit to study / see work on industrial waste management And to assess the industrial waste disposal service that the customer has used by sending waste to incinerate. and some visit to make a decision to use the service In total, there are 218 employees and 918 personnel. Customers who use the service of the company In the past year of the year 2022, we are in different regions of the country, including industrial factories, educational institutes, hospitals, government agencies,



various organizations who use the company's services. will be provided since the method Collect non-hazardous waste And efficient, convenient to transport and store hair, especially chemicals and infectious waste



### 3. Creating value in various fields through cooperation with customers

With the company's cooperation with customers, which is the key to sustainable growth. In the past year, the company Has operated in many areas, both in parts that have already been performed and additional actions such as optimization in Collection of transport In 2022, the company has arranged a team of engineers and technicians to explain how to collect waste into packaging. Storage waiting for loading and unloading for storage to the factory if requested by the customer. This is to reduce the problem of accidents and chemical hazards. And it also creates a good relationship between customers and the company.

### 4. Summary of performance in 2022

1. Set up a booth with the company In the group, there are 2 customers to contact back.
2. Published online media via Facebook. There were 9 real customers who contacted to use the service between October 2021 - 2022. There were contaminated waste, e-waste, chemicals, etc.
3. Set goals for working with customers in 2023.
  - 1) Improving service deficiencies from customers who come to see the incineration and visit.
  - 2) Building brand awareness (through social media)
4. Customer relations action plan, such as
  - 1) Visiting customers with transport in 2022 Grade AA, AA, A (100% achieved in Q1)
  - 2) Increase VIP customer sales
  - 3) Increase sales of New waste, etc.

### 5. Customer Satisfaction Monitoring Assessment for the year 2022

To build a long-term relationship together with the company's customers. There is a management system for administration. and create efficient service standards to meet the needs of customers through the monitoring and evaluation of overall service provision to create customer satisfaction after receiving the service with the company through various procedures under frequency at least once a year, with details and results summarized as follows:

#### 5.1 Objectives

- to study expectations and customer needs
- To know the current performance of the business and can use the results to set goals or set goals in the future





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- To give customers a good feeling of service, pay attention to continuous quality improvement, and truly care about customers.

- To bring the survey results to form a standard of practice. and improve the quality to truly meet the needs of customers

## 5.2 Goals

Received 70% customer feedback and survey results in each level of satisfaction. more than 85 percent

## 5.3 Customer Satisfaction Survey Results

Data on the number of survey responses from the results of the customer satisfaction questionnaire submission of 767 companies found that there were a total of 652 companies responding, representing 85% (data as of February 9, 2023),

### data security and information system

#### 1. Principles and reasons

The company realizes and pays attention to personal information. Therefore, the relevant departments of the organization are required to study and understand the legal provisions under the Act, including the rights and duties of the data subject. Data Controller or a personal data processor on the part of an organization Establish collaboration from all departments of Organizations that collect personal information of various types, from name, last name, address, telephone number to email ID card numbers and others for use in the administration within the organization in order to comply with the Personal Data Protection Act in the past

#### 2. Policy formulation

Prepare "Personal Data Protection Policy Akkhie Prakarn Public Company Limited AKP, announced on July 13, 2022 because the company Realize the importance of personal data protection and maintain measures to maintain the security of personal data in accordance with appropriate standards. and follow International standards, therefore, has prepared and published a personal data protection policy to general people related to the company for acknowledgment and to be effective for executives, employees. and outsiders worker for the company everyone abide by and the executives of all departments are responsible for supporting Push and inspect the operations to ensure compliance with the policy. and the law on the protection of personal data strictly

#### 3. Appoint a committee to operate

The Company has issued an announcement AKP 06/2565-001 regarding the appointment of the Personal Data Protection Committee (PDPA Committee). have authority and responsibility and security measures are in place appropriate security and safety of personal data to prevent unlawful loss, access, use, change, correction or disclosure of personal data The appointment of the Company's Personal Data Protection Committee It is operated according to the principles of responsibility. This is one of the key principles of personal data protection laws.

#### 4. Conduct training to educate information security knowledge. and information system

To enable employees to understand the meaning of PAPD (PERSONAL DATA PROTECTION ACT) and know the types of personal data. Duties and responsibilities of job applicants/employees/employers Know the rights of the data subject. Legal Requirements and Penalties



## Service Quality Management

### 1. Service Quality Management Policy

Akkhie Prakarn Public Company Limited is a complete service provider in transportation. Industrial waste disposal treatment by incineration including the management of industrial waste utilization, and after service sales from a knowledgeable support team committed to conducting business by focusing on service development for customer satisfaction and realizing the importance of reducing the impact on the environment along with taking into account the safety of employees as the first priority. In order to eliminate risks that may affect the management system related to the Company's business operations, the "Quality, Environment and Safety Policy" has been established as follows.

"Follow the rules, reduce pollution, think for improvement, customers are satisfied, care about the environment"

### 2. Appointment of the Board of Directors to be responsible for the implementation of the policy

To comply with the Safety Act Occupational Health and Working Environment B.E. 2554 and the Ministerial Regulations stipulating standards for administration and management of occupational safety, health and environment B.E. 2549, the company therefore announced AKP 02/2565 -003 Subject: Appointment of Occupational Safety and Health Committee and working environment. The duties and responsibilities are as follows: Consider policies and plans for work safety, including safety outside work to prevent and reduce accidents, danger or annoyance caused by work or insecurity at work. Perform other work safety tasks as assigned by the employer.

### 3. Management guidelines

The company has set a safety policy, environment and social responsibility clearly. To control environmental impacts caused by operating activities, since the transportation process until the incineration process as well as taking into account safety and health of employees. Therefore, a guideline for working with Responsible and beneficial to all stakeholders. The aim is to reduce the statistics of accidents from work and control various pollutants in the process to be within control values. Under the goal of zero accident (Zero Accident) and the emission of pollutants to the environment is less than the legal standard of not less than 10 percent in order to achieve the goal as specified and sustainably.

### 4. Operation

- (1) operations concerning work safety for the control of risky operations
- (2) Prepare "Occupational Safety, Health and Environment Work Plan for 2022"
- (3) Preparation of regulations and manuals on work safety of employees.
- (4) operation of sanitation services Organize an annual health check

### 5. Statistics on the number of accidents/incidents in 2022

In 2022, the Company has gathered and monitored the implementation of the Occupational Health and Environmental Quality Project, and safety, then summarized in the report "Summary report on the results of monitoring the implementation of the quality, environmental, health and safety projects Akkhie Prakan Public



Company Limited for the year 2022 and in the meeting plan of the Safety, Occupational Health and Working Environment Committee No. 1/2023 January 2023 can be summarized as follows

There were 5 incidents and 26 accidents. Out of 26 accidents, there were 26 incidents in which 5 employees were injured, divided into minor injuries with no absence from work, 1 case with severe injuries, no more than absences. 3 days, 2 cases, and the highest level of injury, 2 days off from work for 3 days or more.

**6. Summary of safety expenses for the year 2022 totaling 1,468,842.94 baht.**

#### **tax operations**

The company is aware of the roles and responsibilities of being a good taxpayer. which is necessary for the development of the country, the company has therefore arranged a management process tax planning and paying taxes in accordance with the guidelines prescribed by law by establishing a taxation policy In order to be used to control potential risks. as well as having tax practices that are in line with the tax laws. for the company Get appropriate tax benefits Protect the reputation and image of the company. Including creating maximum added value for shareholders.

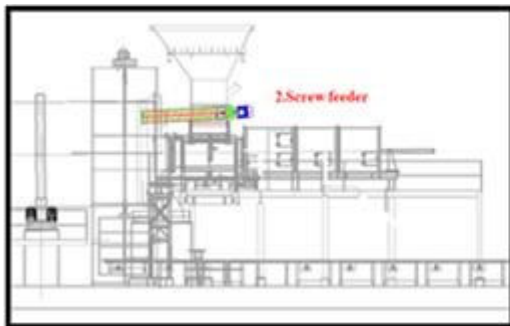
#### **Innovation management and technical development**

##### **Performance**

In the past year 2022, the company After analyzing the risk factors in business operations, it was concluded that energy is an external factor that affects the Company's business operations with high risks. In 2022, the Company has developed additional energy-saving innovations as follows:

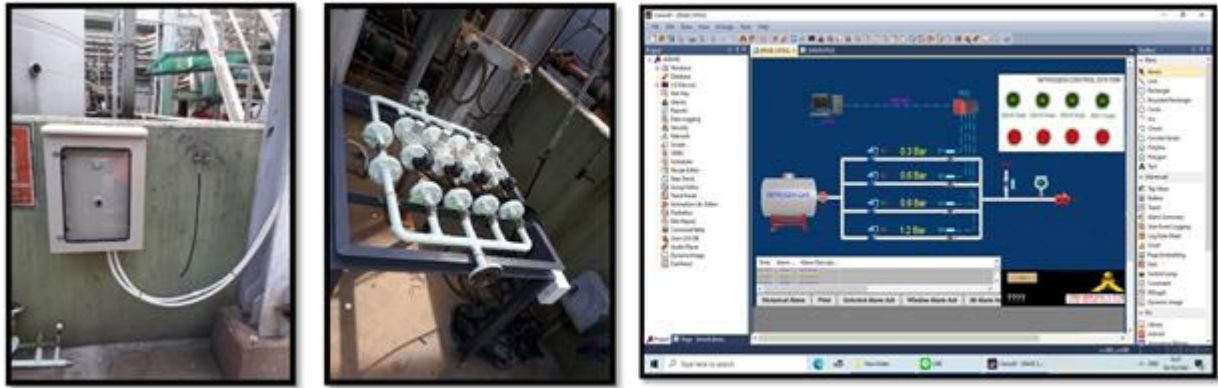
##### **1. Energy waste feeding system into the incinerator**

Objective To increase the potential of waste entering the incineration system. and to increase the potential of utilizing energy from waste The benefit is that the waste can be fed continuously in the right amount. resulting in efficiency for waste combustion



##### **2. Liquid feeding control system for energy value**

Objective To bring wastewater to use in terms of incineration energy. and to increase the combustion potential in the continuous incineration system The benefits are can reduce the use of natural gas for incineration and can reduce greenhouse gas emissions.



## Social and Human Rights Policy

The Company is committed to reducing the environmental impact caused by the Company's business operations. Especially to reduce the greenhouse gas problem, the company is committed to social action by adhering to laws, rules and regulations related to social management including respect for human rights. throughout the value chain in regards to good corporate governance Recognize important stakeholder groups both inside and outside the organization. It aims to meet the expectations of stakeholders to the full potential of the organization. In addition, in this second phase of the sustainability strategy, the Company will focus on business practices to achieve sustainable development in line with the United Nations (UN) guidelines. The UN: Sustainable Development Goals: SDG and the Guiding Principles of the United Nations on Human Rights (UNGPS), including GRI Standards, with the intention to achieve the potential of the company.

## 2. Human Rights Policy

### 2.1 Concept and principle of action

The Company is committed to human rights management. By following the guidelines set forth in the 2017 Constitution of Thailand and the Guiding Principles of the United Nations on Business and Human Rights of the United Nations. Employees Business partners (suppliers, contractors and customers) Local communities and related stakeholders. The Company treats its employees with regard to human rights and labor rights. in accordance with labor laws in the country where the business operates and international human rights principles especially equality (Equality) and non-discrimination (Non-discrimination) in all dimensions, be it age, gender, education, marital status, political views. Ethnicity, Religion and Belief as well as disability

### 2.2 Policy formulation

in the operation of the company has adopted the human rights framework based on the principles -UNGP (UN Guiding Principles Business and Human Kight) as a guideline for respecting human rights.

- 1) Announce human rights policy
- 2) Risk Assessment and human rights impacts

### 2.3 Human Rights Risk Assessment and Management

Throughout the past 15 years of operating the business, the Company has been committed to following the human rights policy. and practices of laws, rules and regulations related to human rights management respect



for rights humanity throughout the supply chain, such as fair labor practices, responsible service (in hazardous waste incineration) to customers Continuous participation in community and social development

## Social and human rights practices

### Treatment of Employees and Labor

#### 1. Policy and goals

The Company therefore places importance on good human resource management and maximum efficiency. taking into account human rights By paying wages and paying fair compensation, taking into account the potential of the company. care and treatment Personnel and personnel development as well as responding to the needs and expectations of employees especially about compensation and welfare so that employees have a good quality of life And have stable career advancement and to develop into a strong organization, must focus on developing and enhancing the knowledge and capabilities of employees continuously. By evaluating the performance (KPI) of employees to lead to the development of the potential of employees in all functions, not only supports the implementation of the organization's strategy to advance towards the goal. And support the upcoming business expansion only.

#### 2. Performance on treatment of employees and labor

##### 2.1 Employee details

##### (1) Number of employees in 2022

details	Number of Employees (Person)				
	Thai person		migrant workers		together
	Man	Female	Man	Female	
1. Operations Department	26	1	8	0	35
2. Maintenance Department	19	3	2	0	24
3. Waste receiving and preparation department	6	3	8	0	17
4. Department of Environment, Occupational Health and Safety	2	7	0	0	9
5. Analytical Laboratory Department	1	5	0	0	6
6. Sales department	1	8	0	0	9
7. Transportation department	49	4	0	0	53
8. Corporate Management Department	0	5	1	1	7
9. Accounting and Finance Department	1	6	0	0	7
10. Management	4	1	0	0	5
11. Marketing and Business Development Department	5	7	0	0	12
12. Office of the Executive Committee	0	1	0	0	1
including assets	114	51	19	1	185

5 executives Mr. Wanchai, Mr. Uthai, Mr. Phon, Mr. Wannarat, Mr. Roengchai

**(2) Remuneration****1) Remuneration for personnel (Excluding directors and senior executives)**

Personnel compensation (salaries and bonuses) paid in 2020-2022

Details	2020	2021	2022
gross salary	51,874,784	49,709,818	51,002,221
total bonus	-	4,880,257	4,159,998
Contributions to provident funds	1,207,990	1,111,227	1,156,825
other welfare	8,128,299	8,947,496	10,610,809
<b>together</b>	<b>61,211,073</b>	<b>64,648,798</b>	<b>66,929,853</b>

Note: In the past 3 years, the Company has not had any labor disputes.

**2) Executives of the Company (including Executive Committee) information as of 31 December 2022****Executive Compensation Summary**

Executive remuneration is the total remuneration of the management team as follows: Managing Director Deputy Managing Director in 2022 with a total amount of 16,162,146 baht.

Details	2020	2021	2022
salary	14,155,920	14,235,120	14,445,120
bonus	-	1,546,901	1,241,442
Contributions to provident funds	405,396	466,957	475,584
<b>together</b>	<b>14,561,316</b>	<b>16,248,978</b>	<b>16,162,146</b>

**2.3 Relationship management between the organization and employees**

The company encourages employees to bond with the organization through various activities, focusing on building relationships in living together. work as a team through various activities such as pouring water on the heads of executives on Songkran Day, New Year's Day, etc. Activities held every year to strengthen the relationship between executives and employees. and raise awareness of love for the organization and create love and unity in teamwork for sustainable development and growth There are various activities as follows:

**(1) Activities to make merit for the company / executives meet with employees**

On February 12, 2022, a new year's eve party was held to welcome the new year 2022, where activities in the morning included a ceremony to pay homage to the Brahma shrine and to pay homage to the stove. offering food to monks in the morning And there is a lottery activity for prizes and executives meet all employees together. In organizing activities, there are measures to maintain distance. and wearing a mask at the time of activities strictly





## 2.4 Occupational health and safety management system

To provide administration and management of occupational safety, health and working environment in accordance with the Ministerial Regulations. Set standards for administration and management of safety. Occupational health and the environment in Work 2549 stipulates and to determine the responsibilities of those responsible for safety. Occupational health and working environment, the company therefore cancels various announcements Related to the appointment of safety officers at various levels and requesting the appointment of safety officers at the executive level and supervisory level which have specific qualifications as specified in the above Ministerial Regulations according to 2 announcements as follows:

1. Organize annual health check-ups The company provides annual health check-ups for all employees. by medical units from famous hospitals There is a check-up once a year. In 2022, an annual check-up was performed on October 10, 2022, from 6:00 a.m. to 12:00 noon. Executives and employees attended an annual health check-up. To take care of the health and hygiene of all employees within the company, spending a total budget of 139,385 baht.



2. Curriculum Training Program Fire drills and fire evacuation drills On December 17, 2022, along with the company's employees, participated in the "2022 annual fire and evacuation drill" at the Industrial Waste Management Center. (Industrial Waste Incinerator), Bang Pu, Samut Prakan Province from the Trainer in Thai Co., Ltd. to prepare to handle the fire situation properly.



3. Curriculum Training Program Basic training in cardiopulmonary resuscitation (CPR) and automatic external defibrillator (AED) usage.

The Company and employees involved in waste management, waste burning and maintenance annually. with the purpose To provide trainees with knowledge and understanding of the meaning, objectives, and necessity of first aid. The training was conducted on August 26, 2022 by training in conjunction with the course. Training on the basics of cardiac massage. (CPR) and use of an automatic external defibrillator (AED).



savings cooperative project for people of fire

The company is aware of the severity of social change that is occurring rapidly. higher cost of living This may affect the financial liquidity of employees at certain times. To promote and plan personal financial management for executives, supervisors and AKP employees to be effective. and create a balance of financial discipline within the organization and to prevent and resolve problems of borrow money outside the system to accommodate such problems. The company has established "Akkhie Prakarn Savings Cooperative Limited" was registered on July 31, 2014 with the objectives To promote the economic and social benefits of members through self-help methods. and help each other according to cooperative principles by providing financial services to members encourage members to save and providing capital and credit services for careers and livelihood Loans are divided into 2 types: emergency loans and ordinary loans Currently, there are 88 members, currently having a total capital of 6,824,480 baht, and on May 25, 2022, Akkhie Prakan Public Company Limited held the 2021 Annual General Meeting of Akkhie Prakan Savings Cooperative Public Company Limited at the main meeting room of Akkhie Prakan Company. Public Company Limited





### Summary of training results to develop the potential of employees in the organization

In 2022, the company has trained its employees. Most of them are training using the Zoom system due to public health safety measures and for the safety of the company's personnel. which can be summarized as follows: Curriculum Validation of Chemical Testing Methods



#### Performance Summary

- Number of courses: 32 courses
- Number of training hours 658 hours/year
- Number of employees attending the training 185 people
- Average training hours per person 3.55
- Budget for training 2,767,436 baht
- actually used 2,694,690 baht

### Developing the potential of migrant workers

The company still needs some migrant workers at present (approximately 20 people), which has decreased due to the study of new innovations to replace migrant workers since 2018 and in In the year 2022, there is a training to provide knowledge on the preparation / renewal. Passport/Visa On November 9, 2022, the company has provided knowledge about the renewal of Passport / Visa and license documents of 20 foreign employees working in the company.



### Community and social responsibility

#### 1. Policy and operational guidelines

##### 1.1 Policy

The company has developed a social responsibility policy and improved it to be more comprehensive. Announced on May 9, 2022 and the latest issue on January 31, 2023.

## Operations and Performance

In this year 2022, the company has classified activities for community responsibility. And the society is divided into groups, all 5 main groups, with activity groups To reduce greenhouse gases by adding another group of green areas

### Details of projects/activities of each group

**Group 1 :** Activities carried out To focus on reducing the impact on the community or the environment that may result from the Company's activities. both directly and indirectly and promote knowledge and understanding of hazardous waste disposal processes and the impact of hazardous waste generated by the community such as

1. The AKP visited the area to educate about proper waste management through the activity "Separation before dumping" on September 27, 2022. AKP visited the area to educate about the correct waste management method. through project activities "Separation of waste before discarding", which is an activity that the company has organized continuously for 8 years to create awareness. and disseminate knowledge about waste household hazards as well as accepting the exchange of hazardous waste from households to be exchanged for food and household items that the company Prepared such as chicken eggs, oil, fish sauce, instant noodles, etc. This time, it was held at Khlong Kho To Fang Nam Khem Community (Rong Li Kae).



**Group 2:** Activities undertaken to reduce greenhouse gases by increasing green areas to reduce global warming (4th year) 2019 was the first year that the company Greenhouse gas reduction is included in the environmental strategy. Therefore, the Company's Corporate Social Responsibility (CSR) Committee has established a project. "Increasing the green area year 4"

1. Planting trees for Wat Khlong Kao School On March 26, 2022, planting trees for Wat Khlong Kao School. For a better environment due to global warming, a total of 20 trees planted can reduce the amount of carbon dioxide by 180-300 kg per year.



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**Group 3 : Government/Private Services**

Akkhie Prakarn Public Company Limited takes part in creating a correct knowledge and understanding of industrial waste management by opening a visit to a prototype of hazardous waste incineration technology to government agencies, private sectors, educational institutions, and those interested in general. To lead to strengthen cooperation in environmental management to be correct, safe and sustainable for the community, society and environment in the future. There are government agencies, private sectors, educational institutions who visit and people who are interested in the general public.

**1. Government agencies****(1) The 53rd drug burning activity**

The Laya Food Committee (FDA), Ministry of Public Health, together with the Public Health Office, burn and destroy non-narcotic health products. from the clearance and arrest of offenders related to health products, including manufacturers, Distributors and importers, a total of 196 cases, which are intermediaries that cannot be used for further benefits. Therefore bringing the middle health products that the case reached the end to destroy Total weight over 26,326 kilograms, total value over 300 million baht.

**(2) Visiting students Suranaree University of Technology**

On August 1 , 2 0 2 2 , students from the Department of Environmental Engineering School of Engineering Suranaree University of Technology Undergraduate level, 4th year, came to visit the industrial waste management center (industrial waste incinerator)





### Donation/support for children and youth education

Donating school supplies On November 4, 2022, Akkhie Prakarn Public Company Limited joins in helping the society (CSR) donating computer equipment. (that can still be used) for Ban Krasang School, Buriram Province



### Group 5 : Development activities Participation in solving problems that may arise from factory activities in Bangpoo Industrial Estate

Odor survey project, which is in the third year to reduce complaints By dividing the teams as follows However, each team smell survey report and problems encountered Ready to be fixed quickly and To provide information about odor in the development of the incineration system.

#### Data collection statistics from July 2021 – Dec 2022

From the survey and inquiry 90 times from the community area around the factory. and neighboring companies from statistical data It was found that the smell was not caused by Akkhie Prakan Public Company Limited up to 73 times, representing 81.1%.It was the smell caused by Akkhie Prakan Public Company Limited only 21 times, representing 23.3%. Therefore, the nature of this activity There is a tendency to smell continuously decreasing and also know that in the area near the factory There are also sources that cause disturbing odors.

#### Example picture: smell survey and inquiry to nearby factories



## 2. Value-added water quality and waste management

Akkhie Prakarn Public Company Limited gives importance to water management. and waste efficiently And to achieve the highest value throughout the operation process with care and pay attention to the prevention of environmental impacts Communities through sustainable water management according to water management guidelines as follows

**1. Cost-effective water management**

Fire fortifications conducting a study of utilization efficiency. from bringing wastewater to be disposed of and arising from the Company's operation processes, such as wastewater in areas that are contaminated with chemicals and waste from the laboratory, waste water from container cleaning and waste trucks qualified will be collected into a holding pond before being used Repeated in the Partial Quench Tower system to reduce the furnace temperature. therefore causing no waste water in the system Reduce the amount and cost of using tap water.

**2. Value-added wastewater management**

The company also has a wastewater management system. through the wastewater collection and discharge system that does not contaminate hazardous waste caused by the activities of employees and staff These wastewater will be sent to collect for treatment (Septic Tank) and will be disposed of by the incinerator of the factory for further incineration.

**"Summary of wastewater management results for the year 2022.****Wastewater can be reused 2% more than last year."**

wastewater type	2018	2019	2020	2021	2022
Total wastewater to be disposed of (tons)	42,130	44,858	41,626	28,300	27,371.49
Wastewater incinerated (tons)	19,895	29,421	12,487	7,987	6,128.49
wastewater reused (tons)	22,239	15,437	29,139	20,313	21,243
Proportion of wastewater used (%)	52.78	34.41	70.00	72.00	77.00

In 2022, the amount of general waste from the cafeteria amounted to 4,387 kilograms, of which 655 kilograms of recyclable waste can be separated, leaving only 87 percent of the total amount of waste to be incinerated.

Year	2018	2019	2020	2021	2022
Total amount of waste (kilograms)	7,500	4,220	5,101	3,155	4,387
Amount of waste that can be sorted (kilograms)	0	1,481	1,510	0	655
The amount of waste left after sorting and burning (%)	100	65	70	100	87



### 3. Environmental quality project plan on "Management to reduce environmental impacts caused by activities within the factory"

Operations have been followed up every month and have prepared "Summary of the results of monitoring the implementation of environmental quality projects Occupational health and safety Akkhie Prakarn Public Company Limited for the year 2022" Summary of quality project performance can be summarized as follows factory survey results

Conclusion	cleanliness issue	storage condition issues	Spill Issues
Summary of the year 2018	29	31	18
Summary of the year 2019	3	5	5
Summary of the year 2020	61	30	33
Summary of the year 2021	19	8	9
Summary of the year 2022	8	5	8
% Significant reduction in environmental issues and operational risks	58%	38%	11.12%

### 4. Greenhouse gas emissions from activities

in action The company has appointed a working group according to the announcement No. AKP10/2565-008. On the appointment of the Company's greenhouse gas working group The working group has the following duties:

By establishing a project to control the amount of greenhouse gas emissions from using natural gas as fuel for burning waste 1 ton, setting the goal of greenhouse gas emissions not exceeding 0.3 tons, which the company has operated since 2014 until now, found that each year, the amount of greenhouse gas emissions meets the set target

#### Summary of glass emissions 2017 (base year) – 2022 greenhouse gas emissions

parameter	NG						diesel						electric					
Year	2017	2018	2019	2020	2021	2022	2017	2018	2019	2020	2021	2022	2017	2018	2019	2020	2021	2022
discharge value	13,307.21	13,847.12	12,026.37	8,481.36	6,116.90	5,017.62	3,367.24	3,152.47	2,077.73	2,091.08	1,923.03	2,044.82	1,739.25	1,897.44	1,715.42	2,013.04	2,723.39	2,070.01
discharge unit	tonCO2eq						tonCO2eq						tonCO2eq					
liberation effect Year 65 compared to the base year	reduce 62.30 %						reduce 39.28 %						more 19.01%					
		Note : Reference information from Report on the amount of carbon footprint of the organization, website <a href="http://thaicarbonlabel.tgo.or.th">http://thaicarbonlabel.tgo.or.th</a>																

From the summary table, greenhouse gas emissions from the use of NG, diesel and electricity combined in 2022 will be reduced from 2021 by 15.16% (in 2021 there was a total greenhouse gas emission of 10,763.32 tonCO<sub>2</sub>eq and in 2022 there was total greenhouse gas 9,132.45 tonCO<sub>2</sub>eq)

5. Carbon label mark In 2022, the Company received the carbon footprint mark from the Thailand Greenhouse Management Organization (TGO) as follows:

- 1) Carbon Footprint of the product (2021 expires 2025)
- 2) Carbon Footprint of the Organization (2022)





## 4. Management Discussion and Analysis : MD&A

### Summary of Financial Position and Operating Results

### Summary of Audit Report

Financial Statement	Company	Auditor	Certified Public Accountant Number
Year 2014	Grant Thornton Company Limited	Mr. Somkid Tiatrakul	2785
Year 2015	Grant Thornton Company Limited	Mr. Somkid Tiatrakul	2785
Year 2016	Karin Audit Company Limited	Mr. Jiroj Sirirorj	5113
Year 2017	Karin Audit Company Limited	Mr. Jiroj Sirirorj	5113
Year 2018	Karin Audit Company Limited	Mr. Jiroj Sirirorj	5113
Year 2019	Karin Audit Company Limited	Mr. Jiroj Sirirorj	5113
Year 2020	Karin Audit Company Limited	Mr. Jiroj Sirirorj	5113
Year 2021	Karin Audit Company Limited	Mr. Jiroj Sirirorj	5113
Year 2022	Karin Audit Company Limited	Mr. Wichien Prungpanich	5851

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2014, the auditor expressed an unqualified opinion that the accompanying financial statement present fairly, in all material respects, the statement of financial position and its performance, and the statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2015, the auditor expressed an unqualified opinion that the accompanying financial statement present fairly, in all material respects, the statement of financial position and its performance, and the statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2016, the auditor expressed an unqualified opinion that the accompanying financial statement present fairly, in all material respects, the statement of financial position and its performance, and the statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2017, the auditor expressed an unqualified opinion that the accompanying financial statement present fairly, in all material respects, the statement of financial position and its performance, and the statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.





Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2018, the auditor expressed an unqualified opinion that the accompanying financial statement present fairly, in all material respects, the statement of financial position and its performance, and the statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2019, the auditor expressed an unqualified opinion that the accompanying financial statement showing investment based on equity method present fairly, in all material respects, the separate financial statements showing financial position based on equity method and the separate financial statements and its performance showing financial position based on equity method and separate performance, and the statement of cash flow showing financial position based on equity method and the separate statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2020, the auditor expressed an unqualified opinion that the accompanying financial statement showing investment based on equity method present fairly, in all material respects, the separate financial statements showing financial position based on equity method and the separate financial statements and its performance showing financial position based on equity method and separate performance, and the statement of cash flow showing financial position based on equity method and the separate statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

Regarding the Report of Certified Public Accountant for the financial statements for the year ended December 31<sup>th</sup>, 2021, the auditor expressed an unqualified opinion that the accompanying financial statement showing investment based on equity method present fairly, in all material respects, the separate financial statements showing financial position based on equity method and the separate financial statements and its performance showing financial position based on equity method and separate performance, and the statement of cash flow showing financial position based on equity method and the separate statement of cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

The auditor's report for the financial statements for the year ended December 31, 2022 has expressed an opinion. in the audit report unconditionally that the financial statements in which the equity method is applied and the separate financial statements present the financial position in which the equity method is applied and the separate statements of financial position and performance Investments are shown using the equity method and the results of separate operations. and cash flow statements showing investments under the equity method. and the separate statement of cash flows for the year then ended It was materially correct as it should be in accordance with financial reporting standards.

equity and separate statement of cash flows for the year ended on the same date correctly as they should in material respects according to the financial reporting standards.



● Statement of Financial Position

(Unit: Million Baht)

Item	December 31, 2020 (Based on Equity Method)		December 31, 2021 (Based on Equity Method)		December 31, 2021 (Based on Equity Method)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>Asset</b>						
Current assets						
Cash and cash equivalents	158.34	22.73	210.25	29.03	105.79	14.54
Trade receivables and other current receivables	114.86	16.49	94.71	13.08	100.41	13.80
Current tax assets	2.45	0.35	2.71	0.37	5.06	0.70
Other current assets	2.64	0.38	2.20	0.30	103.12	14.17
<b>Total current assets</b>	<b>278.29</b>	<b>39.95</b>	<b>309.88</b>	<b>47.79</b>	<b>314.37</b>	<b>43.21</b>
Non-current assets						
Investments in associated companies	214.86	30.85	228.23	31.51	237.59	32.66
Restricted bank deposits	22.42	3.22	22.46	3.10	22.55	3.10
Tools, building improvements and equipment under the license agreement	113.22	16.25	104.08	14.37	97.03	13.34
Rights of use assets	47.58	6.83	40.78	5.63	35.22	4.84
Deferred tax assets	7.42	1.06	7.55	1.04	7.00	0.96
Other non-current assets	12.78	1.84	11.22	1.55	13.77	1.89
<b>Total non-current assets</b>	<b>418.28</b>	<b>60.05</b>	<b>414.34</b>	<b>57.21</b>	<b>413.16</b>	<b>5.79</b>
<b>Total assets</b>	<b>696.57</b>	<b>100.00</b>	<b>724.22</b>	<b>100.00</b>	<b>727.53</b>	<b>100.00</b>



● Statement of Financial Position (Continue)

(Unit: Million Baht)

Item	December 31, 2020 (Based on Equity Method)		December 31, 2021 (Based on Equity Method)		December 31, 2022 (Based on Equity Method)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>Liabilities and shareholders' equity</b>						
Current liabilities						
Trade payables and other current payables	56.63	8.13	52.89	7.30	52.95	7.28
Income tax payable	6.82	0.98	7.75	1.07	9.34	1.28
Current portion of lease liabilities					4.38	0.60
Current provisions for employee benefits	4.40	0.63	4.35	0.60	<b>66.67</b>	<b>9.16</b>
<b>Total current liabilities</b>	<b>67.85</b>	<b>9.74</b>	<b>64.99</b>	<b>8.97</b>	<b>52.95</b>	<b>7.28</b>
Non-current liabilities						
Lease liabilities – Net of current portion	63.36	9.10	<b>55.61</b>	<b>7.68</b>	47.51	6.53
Non-current provisions for employee benefits	9.97	1.43	<b>10.58</b>	<b>1.46</b>	8.52	1.17
Other non-current liabilities	1.30	0.19	<b>1.40</b>	<b>0.19</b>	1.50	0.21
<b>Total non-current liabilities</b>	<b>74.63</b>	<b>10.71</b>	<b>67.59</b>	<b>9.33</b>	<b>57.53</b>	<b>7.91</b>
<b>Total liabilities</b>	<b>142.48</b>	<b>20.45</b>	<b>132.58</b>	<b>20.45</b>	<b>124.20</b>	<b>17.07</b>
<b>Shareholders' Equity</b>						
Share Capital:						
Registered Capital						
404,000,000 ordinary shares at par value of 0.50 Baht	202.00		202.00		202.00	
Issued and paid-up capital						
404,000,000 ordinary shares at par value of 0.50 Baht	202.00	29.00	202.00	27.89	202.00	27.77
Ordinary share premium	119.46	17.15	119.46	16.50	119.46	16.42
Retained earnings – Appropriated - Legal reserve	19.97	2.87	21.64	2.99	21.64	2.97
- Unappropriated	212.66	30.53	248.54	34.32	260.23	35.77
<b>Total Shareholders' Equity</b>	<b>554.09</b>	<b>79.55</b>	<b>591.64</b>	<b>81.69</b>	<b>603.33</b>	<b>82.93</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>696.57</b>	<b>100.00</b>	<b>742.22</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>



● Statement of Comprehensive Income

(Unit: Million Baht)

Item	For the Year Ended					
	December 31, 2020 (Based on Equity Method)		December 31, 2021 (Based on Equity Method)		December 31, 2022 (Based on Equity Method)	
	Amount	Percentage	Amount	Amount	Percentage	Amount
Revenue from service	417.21	95.41	347.55	97.68	375.14	97.64
Cost of service	327.77	78.56	270.85	77.93	293.45	78.22
Gross margin	89.43	21.44	76.70	22.07	81.70	21.78
Other revenues	15.70	3.59	8.27	2.32	9.05	2.36
Profit before expenses	105.14	24.04	84.97	22.88	90.74	23.62
Service expenses	17.30	3.96	9.12	2.56	6.14	1.60
Administrative expenses	33.12	7.57	30.34	8.53	36.60	9.53
Executive remuneration	19.25	4.40	16.75	4.71	17.85	4.65
Finance cost	0.49	0.11	5.10	1.43	4.68	1.22
Total expenses	70.17	16.05	61.31	17.23	65.27	16.99
Share of profit from investments in associated companies	4.36	1.00	16.78	4.72	9.36	2.44
Profit before income tax	39.34	9.00	40.44	11.37	34.83	9.07
Income tax	8.04	1.84	5.79	1.63	5.54	1.44
Profit for the year	31.30	7.16	34.65	9.74	29.29	7.62
Profit (loss) from remeasurement of defined employee benefits	2.68	0.61	(1.13)	(0.32)	2.60	-
Total comprehensive income for the year	33.98	7.77	33.52	9.42	31.89	8.30
Basic earnings per share (Baht per share)	0.077		0.086		0.072	
Weighted average number of ordinary shares (shares)	404,000,000		404,000,000		404,000,000	



● Statement of Cash Flow

(Unit: Million Baht)

Item	For the Year Ended		
	December 31, 2020 (Based on Equity Method)	December 31, 2021 (Based on Equity Method)	December 31, 2022 (Based on Equity Method)
	Amount	Percentage	Amount
<b>Cash flows from operating activities</b>			
Profit before income tax	40.44	55.67	34.83
Adjustments to reconcile profits to cash received (paid)			
Interest expenses	3.72	3.39	4.51
Interest income	(0.27)	(0.22)	(0.47)
Decrease in trade and other current receivables	6.16	20.64	(5.90)
Other current assets (increase) decrease	1.81	0.44	(0.90)
Other non-current assets (increase) decrease	(5.03)	4.01	(2.28)
Trade accounts and other current payables (decrease)	(5.04)	(3.74)	0.06
Other non-current liabilities increase (decrease)	0.10	0.10	0.10
Provision for employee benefits	1.67	0.69	1.22
Depreciation and Amortization	41.59	37.00	33.19
(Reverse) Expected Credit Losses	(0.53)	0.15	0.20
(Profit) loss from sales of tools and equipment	0.25	(6.37)	(0.42)
Amortization of tax withheld	0.82	-	0.02
Share of profits in associated companies			
Total adjustments from profit reconciliation	(16.78)	(13.37)	(9.36)
<b>Net cash flows from (used in) operations</b>			
Interest income	0.27	0.22	0.47
Cash income tax refund	1.93	-	2.43
Cash income tax paid	(8.27)	(11.68)	(10.69)
Cash paid for employee benefit obligations	(1.84)	(0.12)	(1.48)
<b>Net cash flows from operating activities</b>	<b>61.00</b>	<b>86.79</b>	<b>45.53</b>



● Statement of Cash Flow (Continued)

(Unit: Million Baht)

Item	For the Year Ended		
	December 31, 2020 (Based on Equity Method)	December 31, 2021 (Based on Equity Method)	December 31, 2022 (Based on Equity Method)
	Amount	Percentage	Amount
<b>Cash flows from investing activities</b>			
Deposits with restrictions on use (increase) decrease	(0.14)	(0.04)	(0.09)
Cash paid for purchasing investments in associates	-	-	-
Proceeds from the sale of tools, building additions and equipment under the license agreement	0.14	6.59	0.93
Cash paid for purchase of right-of-use assets			
Proceeds from the sale of assets, rights of use under the license agreement	(23.22)	(21.92)	(19.31)
<b>Net cash flows used in investing activities</b>	<b>(23.22)</b>	<b>(15.37)</b>	<b>(118.47)</b>
<b>Cash flows from financing activities</b>			
Cash paid by lessee to reduce the amount of debt arising from the finance lease	(12.93)	(9.29)	(20.20)
Cash paid for dividends	(9.68)	(10.21)	(11.32)
<b>Net cash flows used in financing activities</b>	<b>(22.61)</b>	<b>(19.50)</b>	<b>(31.52)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>15.17</b>	<b>51.92</b>	<b>(104.46)</b>
Cash and cash equivalents at the beginning of the year	143.17	158.33	210.25
Cash and cash equivalents at the end of the year	158.34	210.25	105.79



● Significant Financial Ratio

	Unit	For the Year Ended		
		December 31, 2020 (Based on Equity Method)	December 31, 2021 (Based on Equity Method)	December 31, 2022 (Based on Equity Method)
<u>Liquidity Ratio</u>				
Liquidity ratio	Time	4.10	4.77	4.17
Current ratio	Time	4.03	4.69	3.09
Cash flow liquidity ratio	Time	0.90	1.31	0.69
Account receivable turnover ratio	Time	3.02	3.74	3.94
Average collection period	Day	119	97	92
Payable turnover ratio	Time	4.58	5.27	5.55
Repayment period	Day	79	69	65
Cash cycle	Day	40	28	27
<u>Profitability Ratio</u>				
Gross margin	%	22.07	23.11	21.76
Operating margin	%	8.09	12.03	7.85
Ratio of other incomes to total income	%	2.32	4.14	2.36
Cash-to-profit ratio	Time	2.12	1.57	2.19
Net profit margin (loss)	%	9.74	11.94	7.62
Return on shareholders	%	6.37	8.18	4.90
<u>Efficiency Ratio</u>		4.33	6.63	4.15
Return on assets	%	20.12	30.80	21.76
Return on fixed assets	%	0.54	0.55	0.53
Asset turnover ratio	Time			
<u>Financial Policy Ratio</u>		0.26	0.22	0.21
Debt-to-equity ratio	Time	0.64	0.57	0.50
Debt service coverage ratio	Time	54.73	63.54	50.68
Dividend payout ratio	%			
<u>Data per share</u>		0.50	0.50	0.50
Par value per share	Baht			
- Data according to financial statements		1.37	1.46	1.49
Book value per share	Baht	0.086	0.116	0.072
Net earnings per share	Baht	4.33	6.63	4.15



## Management Discussion and Analysis

### 1. Explanation and Analysis of Financial Position and Performance

#### Analysis of Performance

##### Revenue

The total revenues of the Company were divided into revenues from service, other revenues, and share of profits from the investment in associated companies. The revenues from service included the revenue from the service of waste treatment and disposal by means of incineration, the revenue from the waste transportation, other service revenues, such as revenue from the sale of waste containers, workers' wage revenue, and other revenues, i.e. interest income, revenue from sales of scraps, revenues from general transportation, reversal of allowance for doubtful accounts.

##### Revenue from Service

Revenue from services for the year 2020 amounted to 347.55 million Baht, decreased by 69.66 million Baht or 17% from the previous year. The amount of industrial waste in service decreased by approximately 9.73% compared to the previous year and the average service fee rate of industrial waste disposal (Baht per ton) decreased by 9.18% compared to the previous year. This was due to external factors affecting the decreasing amount of industrial waste. This has been a continuous effect since 2019, the company is adjusting its strategy to suit the situation.

Service income for the year 2021 amounted to 375.27 million baht, an increase of 28 million baht or 8% compared to the same period last year. The company has 167 more customers from the previous year and can adjust the service fee more. The average rate per ton increased by 10% when compared to the average management fee of the previous year. By maintaining the amount of industrial waste that can be disposed of close to that of the previous year.

Service income for the year 2022 amounted to 375.14 million baht, close to the previous year. By the severe market competition this year. causing the company to adjust its pricing strategy As a result, the average service price decreased by about 15 percent in exchange for the number of customers increasing from the previous year of 147 and the amount of waste. Disposal industry increased by 18%, where the structure of the company has an advantage in terms of service standards. and no debt Gaining a growing customer base In the long run, the company can adjust strategies to suit each year's situation.





Revenue from services and other revenues of the Company are shown in the following table.

(Unit: Million Baht)

Revenue from services and other revenues	For the year ended December 31, 2020 (Based on Equity Method)		For the year ended December 31, 2021 (Based on Equity Method)		For the year ended December 31, 2022 (Based on Equity Method)	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Revenue from services						
Revenue from services of waste treatment and disposal by means of incineration	277.43	77.97	309.38	79.03	300.23	78.15
Revenue from services of waste transportation	55.45	15.58	55.12	14.08	65.95	17.17
Revenue from general transportation	14.67	4.12	10.77	2.75	8.96	2.33
Total revenue from services	347.55	97.67	375.27	95.86	375.14	97.65
Other revenues						
Interest income	0.27	0.08	0.22	0.06	0.48	0.12
Profit (loss) from disposal of assets	-	-	6.37	1.63	0.42	0.11
Others	8.00	2.25	9.60	2.45	8.15	2.12
Total other revenues	8.27	2.33	16.19	4.14	9.05	2.35
<b>Total revenue</b>	<b>355.82</b>	<b>100.00</b>	<b>391.46</b>	<b>100.00</b>	<b>384.19</b>	<b>100.00</b>

Table of Amount of Hazardous Waste in Service Provided by the Company

(Unit: Ton)

	Year 2020	Year 2021	Year 2022
Liquid	41,626.22	28,300	40,167.48
Solid	33,435.59	44,172.28	47,742.31
Semi-solid and others	289.03	2,029.88	289.91
<b>Total</b>	<b>75,350.84</b>	<b>74,502.16</b>	<b>88,199.70</b>

#### Other Revenues

Other income is derived from interest income, profit (loss) from the sale of assets. Truck rental income and other service fees. In 2020 - 2022, the company has other income of 8.27 million baht, 16.19 million baht and 9.05 million baht, respectively.



## Cost of Service

Cost of services can be divided into 2 main groups, namely cost of services directly variable according to the provision of services and cost of services that are not directly variable according to the provision of services, such as costs of fuel and energy, raw materials, Packaging, transportation cost, factory electricity cost Landfill service fee Repair and maintenance expenses for factory equipment Special additional financial benefits in the event that the amount of income incoming waste. Eliminate more than 1,440 tonnes per month Special additional benefit from waste transportation revenue Special compensation benefits from revenue from analytical services in analytical laboratories, etc. Costs of services that do not directly vary according to important services, such as normal financial compensation benefits Depreciation of buildings and factory equipment Cost of personnel in the factory, etc.

Summary of normal financial benefits and special additional financial benefits paid to Department of Industrial Works

(Unit: Baht)

Items	Year 2020	Year 2021	Year 2020
Normal financial benefits	9,680,000.00	10,210,000.00	10,770,000.00
Additional benefits (Revenues from incineration)	2,673,187.51	3,052,172.42	2,326,096.62
Special additional benefits (Revenues from incineration exceeding 1,440 tons per month)	22,418,903.46	23,833,341.48	24,277,756.47
Special additional benefits (Revenue from transportation service)	2,773,583.03	2,755,378.97	3,298,515.65
Special additional benefits (Revenue from analysis service)	64,925.00	42,350.00	108,762.50
Benefits 10% of the total revenue from service	-	-	-
<b>Total</b>	<b>37,610,599.00</b>	<b>39,893,242.87</b>	<b>40,781,131.24</b>

In 2020, cost of service accounted for 77.93% compared to the revenue from services, which had the similar ratio to the previous year. There was no significant change of cost expenses from the previous year.

In 2021, cost of service accounted for 76.89% compared to the revenue from services, which had the similar ratio to the previous year. There was no significant change of cost expenses from the previous year.

In 2022, the cost of services is 78.22% compared to revenue from services, which is a ratio close to the previous year without any cost expenses Significant change from the previous year.



### Service Expenses

Service expenses for the year 2020 amounted to 9.12 million baht, representing 2.56 percent of total revenue, for the year 2021, amounted to 5.72 million baht, representing 1.46 percent of total revenue, and in 2022, amounted to 6.14, representing 1.60 percent. of total revenue with marketing promotion expenses and expenses related to participating in various activities According to the marketing management policy, in 2022, the expenses in this group are similar to the previous year.

### Administrative Expenses

Administrative expenses Most of them are personnel expenses. depreciation utility bills travel expenses The cost of materials, equipment, consulting fees and various fees, for the year 2020 amounted to 30.34 million baht, representing 8.53 percent of total income, in the year 2021, amounted to 31.70, representing 8.10 percent of total income, and in the year 2022, amounted to 36.60 million baht. It was 9.53 percent of total income, which amount and percentage increased slightly from the previous year.

### Executive Remuneration

Executive Compensation It is the compensation that the company To directors and executives of the company, in 2020 - 2022, equal to 16.75 million baht, 18.16 million baht and 17.85 million baht, respectively.

### Finance Cost

Company's financial cost It consists of interest expenses and bank fees for the period 2020 – 2022 equal to 5.10 million baht, 5.02 million baht and 4.68 million baht, respectively, most of which are from letter of guarantee fees from financial institutions. From 2020 onwards, interest is recognized. Paid from the liabilities under the rights lease agreement of the Department of Industrial Works. It is recognized according to the Financial Reporting Standard No. 16 on Lease Agreements for the first time.

### Share of Profits from Investments in Associated Companies

It is an investment in a small power plant business. The company recognizes profit by the equity method. For the year 2022, the company recognizes an increase in profit of 9.36 million baht.

### Net Profit

According to the above reasons, the Company's net profit of each year has profit or loss.

In 2020, due to the decrease in industrial wastes, the revenue from service decreased. As a result, the Company's gross profit was 76.70 million Baht or the gross profit margin of 22.07%, which was similar to that of the previous year. Its net profit was 34.65 million Baht, representing 9.30 %, increased by 3.35 million Baht, accounting for 10.71% of the previous year.

In 2021, the Company was able to maintain the amount of industrial waste close to the previous year. and can adjust the average service fee per ton more Resulting in a gross profit of 86.71 million baht or a gross profit margin of 23.11% and a net profit of 46.84 million baht or a rate of 11.97%. The net profit increased from the previous year by 12.19 million baht or 35.18 percent. from last year.



2022 from intense competition this year. Causing the company to adjust the price strategy to compete But in exchange for gaining a growing customer base and increasing the amount of industrial waste that can be disposed of by maintaining the ratio in gross profit. was close to last year The gross profit was 81.70 million baht, representing a gross profit margin of 21.78%, with other income decreasing in the amount of 7 million baht and selling and administrative expenses increasing in the amount of 5 million baht. from investments in associated companies Decreased from the previous year in the amount of 4.02 million, resulting in the company's net profit this year.

## 2. Analysis of Financial Position

### Total Assets

The Company's total assets include cash and cash equivalents, trade receivables, accrued income, current assets, and non-current assets, such as equipment, buildings and equipment under license agreement, deposits with guarantee obligation, and environmental protection fund.

The Company's total assets as at December 31<sup>th</sup>, 2020 – 2022 were 696.57 million Baht, 724.22 million Baht, and 727.53 million Baht, respectively.

The total assets of the company as of 31 December 2019 decreased from the total assets of 2018 in the amount of 7.89 million baht or decreased by 1.23% with significant changes such as cash and cash equivalents decreased by 193.61 million baht due to the use of money. Investment in associated companies amounted to 193.71 million baht, net trade and note receivables and accrued income decreased by 14.58 million baht due to lower sales. There is no material change in other assets.

The total assets of the company as of 31 December 2020 increased from the total assets of 2019 in the amount of 65.32 million baht or 10.35%, with significant changes including cash and cash equivalents increasing by 15.16 million baht. Investment in associated companies increased by 16.78 million baht. The adoption of the Financial Reporting Standard No. 16 on Lease Agreements for the first time resulted in the accounting items of tools, building and equipment additions under the right to use agreement and the right to use assets. increased by 35.62 million baht, while other assets did not change significantly.

The total assets of the company as of 31 December 2021 increased from the total assets of 2020 in the amount of 27.65 million baht or 2.97%. Cash and cash equivalents valued at 210.25 million baht, representing 29.03 percent of total assets. An increase of 51.92 million baht from the previous year. which is mainly caused by the performance Investments in Associated Companies valued at 228.23 million baht, representing 31.51 percent of total assets. An increase of 13.38 million baht from the previous year due to the recognition of profits according to the investment proportion. Trade and other current receivables valued at 94.71 million baht, representing 13.08 percent of total assets. Decreased from the previous year in the amount of 20.15 million baht as a normal trade. There was no significant change in other assets.



The total assets of the company as of 31 December 2022 increased from the total assets of 2021 by 3.31 million baht or 0.46%. Cash and cash equivalents valued at 105.79 million baht, representing 14.54 percent of total assets. Decreased from the previous year in the amount of 104.46 million baht, which the company has invested in other types of deposits in the amount of 100 million baht, representing 13.75% of total assets. Investments in Associated Companies valued at 237.59 million baht, representing 32.66 percent of total assets. An increase of 9.36 million baht from the previous year due to the recognition of profits according to the investment proportion. Trade and other current receivables worth a number. 100.41 million baht or 13.80% of total assets Increased from the previous year in the amount of 5.70 million baht as a normal trade. There was no significant change in other assets.

#### **Trade Receivables, Notes Receivable, and Accrued Revenue**

Trade accounts receivable Bills received and accrued income of the Company as of December 31, 2020 - 2022 in the amount of 114.86 million baht, 94.71 million baht and 100.41 million baht, respectively. The company has an average collection period of 119 days, 97 days and 92 days according to No. by a strict collection policy Enables the company to follow up and collect debt more quickly. Despite the situation from Covid-19, contacting customers takes more time than usual because most customers work from home.

#### **Investments in Associated Companies**

It is an investment in the purchase of shares of Earth Tech Environment Public Company Limited, which operates a business of production and distribution of electricity from mixed waste, amounting to 799,676 shares, with an investment value of 193.71 million baht, representing a percentage of ownership. 9.75 which, at the end of the year 2022, the Company has share of profit from investment according to method. Equity increased by 9.36 million baht, accumulated from the first investment date by 43.88 million baht, resulting in the investment under the net equity method amounting to 237.59 million baht.

#### **Liabilities**

##### **Trade Payables and Other Current Payables**

Trade payables and bills payable are divided into trade payables and bills payable from related companies as of December 31, 2020 - 2022, amounting to 5.46 million baht, 5.59 million baht, and 9.03 million baht, respectively. Better World Green Public Company Limited and payable for transport and rent of Better World Transport Co., Ltd. in terms of trade payables and bills paid from companies in general as of December 31, 2020 - 2022, amounting to 51.17 million baht, 47.30 million baht and 43.92 million baht are fuel cost payables. Material cost, chemical cost, including maintenance cost and various accrued expenses

**Lease Liabilities**

on the effective date of the lease agreement The Company recognizes lease liabilities at the present value of the lease payments, discounted by the interest rate implied by the lease or the Company's incremental borrowing rate. after the date. Lease effective The carrying amount of the lease liability increases to reflect interest on the lease liability and decreases to reflect the lease payments made. In addition, the carrying amount of the lease liability is remeasured when There is a change or reassessment of the lease.

**3. Liquidity Analysis**

(Unit: Million Baht)

	December 31, 2020 (Based on Equity Method)	December 31, 2021 (Based on Equity Method)	December 31, 2022 (Based on Equity Method)
Cash flows from operating activities	61.00	86.79	45.52
Cash flows from investing activities	(23.22)	(15.37)	(118.47)
Cash flows from financing activities	(22.61)	(19.50)	(31.52)
Increase (decrease) in net cash flow	15.17	51.92	(104.47)

**Cash Flows from Operating Activities**

The Company's net cash from operating activities in 2022 amounted to 45.52 million Baht. Cash flows from operating activities caused by the adjustments to reconcile profits to cash received (paid), such as depreciation, share of profits in associated companies, estimate of accounting expenses, increase / decrease in operating assets, and operating liabilities.

**Cash Flows used in Investing Activities**

In 2022, the Company had net cash used in investing activities of 118.47 million baht, investing in equipment equipment under license agreement This is an operation to increase service efficiency and cost control of the company. and some of the outstanding financial institution deposits have been invested in other types of deposits to increase returns in the amount of 100 million baht

**Cash Flow used in Financing Activities**

In 2022, the company had net cash used in financing activities of 31.52 million baht, which was dividend payment of 20.20 million baht and payment of rent under finance lease of 11.32 million baht.



#### 4. Source of Funds

##### Capital Structure

The debt to equity ratio as of December 31, 2020 – 2022 was 0.26 times, 0.22 times and 0.21 times respectively.

##### Shareholders' Equity

As of December 31, 2020 - 2022, the shareholders' equity of the Company amounted to 554.09 million baht, 591.64 million baht, and 603.33 million baht, respectively, with the increase in shareholders' equity due to net profit from operations. of each year after deducting annual dividend payment.

Return on equity in 2020 - 2022 equals 6.37%, 8.18% and 4.90% respectively.

#### 5. Significant Financial Ratios

##### Liquidity Ratio

2020 – 2022, the Company's quick liquidity ratio was 4.03 times, 4.69 times and 3.09 times, respectively, with the Company still having sufficient liquidity for operations.

##### Profitability Ratio

##### Gross Margin and Net Profit Margin

For the year 2020 - 2022, the Company has gross profit margins of 22.07%, 23.11% and 21.78%, respectively, and net profit margins of 9.74%, 11.97% and 7.62% (according to the equity method) respectively. similar to last year and has a net profit margin as described in detail above

##### Remuneration of Auditor

In the fiscal year 2020 - 2022, the Company paid audit fees to the Company's auditor, Karin Audit Company Limited, in the amount of 610,000 baht per year. There are other service fees to be paid to the auditor in the amount of 40,820, 26,609 baht and 33,504 baht.



## 5. General and Other Important Information

### 5.1 Information on Reference Persons

Regulator	:	<b>Securities and Exchange Commission, Thailand</b> 333/3 Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel. 0-2033-9999 Fax. 0-2033- 9660 <a href="https://www.sec.or.th">https://www.sec.or.th</a> mail: info@sec.or.th
Securities Registrar	:	<b>The Stock Exchange of Thailand</b> 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02 009 9000 Fax. 02 009 9991 <a href="http://www.set.or.th">www.set.or.th</a> SET Contact Center : <a href="http://www.set.or.th/contactcenter">www.set.or.th / contactcenter</a> / 0-2009-9999
Securities Registration	:	<b>Thailand Securities Depository Co., Ltd.</b> 93 The Stock Exchange of Thailand Building, Rachadapisek Road, Dindaeng, Bangkok 10400, Thailand Tel: 02-009-9388Fax: 02-009-9476 Website : <a href="http://www.set.or.th/tsd">http://www.set.or.th/tsd</a>
Audit	:	<b>Karin Audit Co., Ltd.,</b> 72 CAT Telecom Tower, Floor24, Thailand Charoen Krung Road, Bangrak, Bangkok. 10500 Thailand Tel : 0-2105-4661 Fax : 0-2026-3760 <a href="http://www.karinaudit.co.th">http://www.karinaudit.co.th</a> E-mail – <a href="mailto:audit@karinaudit.co.th">audit@karinaudit.co.th</a>
Legal Advisor	:	<b>Ruamthama Law Office Co.,LTd.</b> 85 Moo2 Sutthisan Rd., Huaykwang Sud-District.,Huaykwang Sud-District., Bangkok 10310, Thailand Tel. 0-2694-3323 – 4 Fax. 0-2694-3349





Others

- Investor support
- Reporting losses of share certificates
- Shareholders' information change

ontact

Issuer Service Unit  
Thailand Securities Depository Limited  
93 Ratchadaphisek Road, Dindaeng,  
Bangkok 10400 Thailand  
Tel. 0-2009-9000 Fax. 0-2009-9991

5.2 other important information

--None--

5.3 Legal Disputes

--None--

5.4 Secondary Market

--None--

5.5 Contact financial institution (Only if the company issues debt instruments)

--None--



## Section 2

# Corporate Governance

## 6. Corporate Governance Policy

### 6.1 Corporate Governance Policy

Throughout the past period of business operation, the company has given importance to conducting business in accordance with good corporate governance principles. and business ethics on the basis of honesty, transparency, fairness and against all forms of corruption taking into account all groups of stakeholders equally Along with operating with social and environmental responsibility. Including promoting the continuous development of corporate governance. By encouraging a culture of good corporate governance and anti-corruption throughout the organization as well as emphasizing compliance with the law. Transparent operating rules and standards and fairness to all groups of stakeholders And this creates confidence in business cooperation between organizations, investors, financial institutions. and business partners This will increase the competitiveness of the organization both in the short term and in the long term sustainably.

The Company specifies that it is the duty and responsibility of all directors, executives and employees to acknowledge, understand and strictly comply with policies and practices. Policy on corporate governance and code of conduct must be published on the Company's website, "[www.akkhie.com](http://www.akkhie.com)", to increase the channel for executives and employees to acknowledge practices and apply them efficiently in order to achieve business goals for benefits of all stakeholders.

The Board of Directors is committed to strictly supervise the compliance to policies and practices and develop the corporate governance constantly in order to prepare the Company for international corporate governance. However, to achieve goals on building continuous and sustainable stability and growth for the organization, shareholders, as well as stakeholders in all sectors, by focusing on maintaining standards and development of governance, including promoting good governance to be the culture of the organization, the Company has carried out the following operations;

1. Providing the manual on good corporate governance and code of conduct to employees to read and sign it for complying the Company's code of conduct, and delivering such manual to new employees for reading and signing it as well
2. Providing the orientation to new employees for giving suggestions and allowing them to understand the culture of the organization, good corporate governance and code of conduct of the organization, including intention of policy on anti-corruption of the Company
3. Establishing the policy on anti-corruption so that directors, executives and employees will easily read and understand practices of the policy



4. Announcing and applying practices of business partners for equitable treatment in accordance with good practices and promoting code of conduct

The Company's management adheres to practice guidelines under corporate governance principles and recognition of importance and responsibility to the Company's shareholders and stakeholders, causing the Company to receive the following assessments from regulating agencies and organizations in 2022:

- (1) received standard data continuously until the year 2022

1. Standard management system in service ISO 9001:2015
2. Standard management system in environmental management ISO 14001:2015
3. Standard management system in occupational health and safety management ISO 45001:2018
4. Industrial Waste Management Factory Standard, Gold Medal Level (10th consecutive year)
5. Green Industry Standard Level 4 Green Culture is a factory where everyone in the organization cooperates in environmentally friendly operations in all aspects of business operations until it becomes part of the corporate culture.

- (2) From the operation in 2022, the Company received various awards as follows:

1. Receiving a "Gold Medal" award as a hazardous waste incineration business operator under a project to develop and upgrade hazardous waste management operators in the industrial sector. Fiscal Year 2022 by the Department of Industrial Works.
2. Received the "CSR-DIW Continuous Award 2022" award, with a total of 173 enterprises applying for participation, 63 of which were selected as a means of promoting the industry for the implementation of social responsibility and Sustainable coexistence with the community from the Department of Industrial Works.
3. Received the Eco Factory standard certification for the second time, showing social responsibility. Community development and community economic promotion By considering the stakeholders throughout the supply chain. Until it becomes the culture of the organization.
4. Received a certificate for Carbon Footprint for Organization: CFO for the year 2021 and Carbon Footprint Product: CFP for the year 2022-2025 to demonstrate management to reduce greenhouse gas emissions effectively and does not destroy the environment from Thailand Greenhouse Gas Management Organization Print the organization for the first time in 2017 and use the information to determine management guidelines to reduce the amount of greenhouse gas emissions.

5. Awarded "Sustainable Stock" Thailand Sustainability Investment (THSI) for the year 2022 from the Stock Exchange of Thailand. from 170 listed companies (including SET and MAI) (all 13 MAI groups) to honor and Honoring listed companies with sustainable business operations As the company places importance on good corporate governance. and outstanding in business Environmental, social and governance management.

6. Corporate Governance

For the results of corporate governance assessment of Thai listed companies (CGR) for the year 2022 according to the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) criteria, in order to ensure that corporate governance meets international standards, the Company received assessment scores in the average range. 93% rated "excellent".

7. Honorary Awards Sustainability Disclosure Recognition

The company received an honorary award Sustainability Disclosure Recognition in the results announcement Sustainability Disclosure 2022 by Thaipat Institute It shows that the company is aware and pays attention to the disclosure and dissemination of operational information covering economic, social, environmental, or ESG issues. (Environmental, Social and Governance) in addition to financial information. which represents the sustainability of the business This will benefit the company's stakeholders and respond to the Sustainable Development Goals (SDGs).

In 2017, the Securities and Exchange Commission issued Corporate Governance Code (CG Code 2017) as principles for the Board of Directors to adapt to governance in order to ensure good business performance in the long-term, reliability for shareholders and benefit in building sustainable value for the business. The eight main principles for the Board of Directors are as follows:

1. Awareness of the Board of Directors' role and responsibility as a corporate leader building sustainable value for the business.
2. Setting of main business objectives and goals for sustainability.
3. Promotion of an efficient Board of Directors.
4. Recruitment and development of high-ranking executives and personnel management.
5. Promotion of innovation and responsible business operation.
6. Assurance of appropriate risk management and internal control systems.
7. Maintenance of financial reliability and disclosure of information.
8. Support of shareholder participation and communication.

The Board of Directors' reached a resolution to consider implementing the Corporate Governance Code 2017 by considering and having awareness of roles and duties as the Governing Board. All directors have thoroughly considered implementing the aforementioned principles and have understood the benefits and importance of applying the CG Code to build value for the business with sustainability. Nevertheless, regarding unsuitable principles for the Company's business operations, the Board of Directors considered and issued appropriate replacement measures along with recording measures as part of the Board of Directors' resolution in order to hold annual reviews. The Company discloses the Company's corporate governance policies on the website for communication outside the organization and dissemination to the organization's employees to acknowledge the Company's corporate governance along with promoting employee participation in complying with the aforementioned policy.

Furthermore, the Company adheres to and places importance on Corporate Governance Code 2017, which covers principles of the Organization for Economic Co-operation and Development in all five categories for use as guidelines in developing policies with coverage of rights and equitable treatment of shareholders and stakeholders, structures, roles, duties, responsibilities and independence of the Board of Directors, disclosure of information and transparency, risk control and management including business ethics. This is to help the Company's business management and operation to be effective and transparent. The Corporate Governance Code covers the following five principles:

Compliance to the Corporate Governance Policy and the various relevant Corporate Governance Operating Procedures Guidelines Applicable for the Company

## **Section 1 : The Rights of Shareholders**

The Company places importance on shareholders as investors in the Company's assets and the Company's owners. The Company has the Board of Directors appointed by shareholders to perform duties on behalf of shareholders. Furthermore, shareholders have the right to make decisions regarding the Company's significant changes. Therefore, the Company has a policy to support, promote and facilitate convenience to allow shareholders to exercise rights, particularly the following basic shareholder rights:

- The right to purchase, sell or transfer the Company's shares as prescribed by the law.
- The right to receive accurate, complete, sufficient and timely information in appropriate formats for decision-making to monitor operations. In addition, the Company has no policy to obstruct or create barriers in communications between any shareholders.
- The right to attend shareholder meetings, express opinions, provide recommendations, make inquiries at shareholder meetings and make decisions on the Company's main issues.



- The right to appoint and dismiss directors.
- The right to appoint certified public accountants and specify remuneration for certified public accountants.
- The right to receive the Company's profit shares in the form of equal dividends.
- The right to receive share certificates, transfer shares and redeem shares equitably in the Company's name.
- The right specify or revise the Company's objectives, regulations and memorandum of association.
- Other rights decreed in any other related laws and regulations including the Company's regulations.

In addition to supporting shareholders to exercise basic rights, the Company treats shareholders equitably such as by providing up-to-date important information via a website, arranging for shareholders to visit the business and the Company does not perform any actions to violate or suppress shareholders' rights.

## Shareholder Meetings

In 2022, the Company held the annual general meeting of shareholder on 26<sup>th</sup>, April 2022. at Conference Room No.792, Moo 2, Soi 1c/1 Bangpoo Industrial Estate, Sukhumvit Road, Bangpumai, Samutprakarn, Samutprakarn 10280. The Company has performed the following actions regarding corporate governance for shareholders' rights:

### 1. Treatment of Shareholders before the Annual General Meeting of Shareholders

1. The Company promotes and facilitates every shareholder group including institute shareholder to fully exercise the right to attend shareholder meetings and vote.
2. The Company provides opportunities for minority shareholders to present topics for inclusion as meeting agendas and to nominate individuals to be elected as the Company's directors at the general meeting of shareholders in advance. The Company notified shareholders via the news system of the Stock Exchange of Thailand in addition to announcing clear criteria, specifications and steps for presenting the aforementioned meeting agendas on the Company's website at [www.akkhie.com](http://www.akkhie.com) on 16<sup>th</sup>, November 2021. Shareholders were able to present topics to the Company from 16<sup>th</sup>, November 2021 to 19<sup>th</sup>, January 2022.
3. The Company sends meeting invitations to all shareholders with meeting information, date, time, place and agendas including objectives, reasons and opinions of the Board of Directors accompanying each agenda along with all information related to topics being decided at the meeting in Thai and in English no less than 21 days before the meeting for shareholders to consider. The Company sent meeting invitations to shareholders by mail on 11<sup>th</sup>, April 2022 . At



the annual general meeting of shareholders in 2022, the Company presented the following agenda items for shareholders to consider approval:

- Approval of the company's statement of financial position and statement of comprehensive income
  - Approval of net profit allocation for dividend payment and legal reserve
  - Approval of bonus payments for the Board of Directors
  - Approval of appointment of directors replacing the retiring director
  - Approval of remuneration for the Board of Directors
  - Approval of the appointment of an auditor and determination of auditor's remuneration
  - Approval of the sale of ordinary shares of Earth Tech Environment Public Company Limited, which is a transaction of disposition of assets of a listed company.
4. The Company disseminated meeting invitations to the annual general meeting of shareholders in 2022 on the Company's website at [www.akkhie.com](http://www.akkhie.com) in Thai and English since May 24<sup>st</sup>, 2022 to allow shareholders sufficient time to study information no less than 30 days in advance of the shareholder meeting date.
  5. The Company provides opportunities and specifies clear criteria for shareholders to send questions in advance of the annual general meeting of Shareholders of 2021. Shareholders were able to send questions in advance to the Company Secretary, Akkhie Prakarn Public Company Limited 792, Moo 2, Soi 1c/1 Bangpu Industrial Estate, Sukhumvit Road, Bangpumai, Samutprakarn, Samutprakarn 10280, or Email: [akp\\_secretary@akkhie.com](mailto:akp_secretary@akkhie.com)
  6. The Company has enclosed Proxy Form A. Form B. and Form C. along with the invitation to the shareholders' meeting. for shareholders who are unable to attend the meeting in person Can authorize any other person or independent director that the company was appointed as a proxy to attend the meeting and vote on their behalf by proceeding with the conditions specified in the proxy form.
  7. The Company fully facilitates shareholders' right to attend meetings and vote. The Company used the Conference Room No.792, Moo 2, Soi 1c/1 Bangpoo Industrial Estate, Sukhumvit Road, Bangpumai, Samutprakarn, Samutprakarn 10280. As the meeting venue with sufficient width to support shareholders and convenience for traveling. In addition, the Company prepares sufficient snacks and beverages to support meeting attendants.





Because of the coronavirus disease (COVID-19) epidemic situation and the shareholders' meeting is a combination of the majority. Which is a risk factor for epidemic, the Company is aware and concerned about the risk of such epidemic in the shareholders' meeting. To accommodate the risk of transmission of COVID-19, the company No snacks, tea, coffee of any kind, and no food in the meeting venue is strictly prohibited. To reduce exposure and reduce the risk of viral transmission. And in order to prevent and reduce the risk of the spread of the COVID-19 virus for those who participate in the meeting, the Company has various measures for screening shareholders as follows:

1. Shareholders who are at risk Traveling to or coming to foreign countries or high-risk provinces as specified by the public health Or close contact with people who have a history of going to or coming to foreign countries or provinces at least 14 days before the meeting date or people with fever or respiratory symptoms. Or symptoms that may be suspected to be a virus COVID-19 ask for cooperation in following the recommendations of the Department of Disease Control. In this regard, the shareholders can authorize the independent directors of the Company.
2. The company has a screening point according to the guidelines of the Department of Disease Control. Before all shareholders attend the meeting, they must pass a screening point. Failure to pass the screening of shareholders may decline to attend the meeting, for example when a shareholder has a body temperature of 37.5 degrees Celsius or more. And abnormal symptoms related to the respiratory tract Or have a history of returning from abroad Or the province where the coronavirus is spread (COVID-19). According to the announcement of the Ministry of Public Health, less than 14 days before attending the meeting. However, various measures The control and screening of attendees may be adjusted according to the guidelines.
3. For prevention And reduce the risk of the spread of the COVID-19 virus from the congestion of shareholders on the meeting day. And for the health of shareholders, the Company provides opportunities for shareholders, even those who are not at risk. Able to authorize independent directors instead Attendance

## **2. Treatment of Shareholders on the Annual General Meeting of Shareholders' Date**

1. The Company provides sufficient personnel and technology for shareholder meetings including document examination, meeting attendance registration, vote counting and voting results on each agenda to allow meetings to be fast and accurate. The Company allows shareholders to register at least one hour before the meeting and allows shareholders who wish to attend meetings after the registration time to vote on agenda items being considered as a meeting quorum from the agenda when



shareholders attended the meeting. In 2021, the Company used the meeting program of Thailand Securities Depository Co., Ltd. (TSD) in registering and counting votes.

2. The Company allows shareholders to vote with one share being equal to one vote and, to facilitate voting and vote counting, the Company prepares voting forms for each agenda items, especially for director appointment agenda items. The Company allows shareholders to vote and appoint directors individually. Furthermore, the Company allows shareholders to volunteer as witnesses in counting votes and the Company provides legal consultants to count votes for transparency in voting and vote counting along with disclosing voting results to the meeting and recording in the minutes of the meeting.
3. At the beginning of the meeting, the Chairman of the Board, the Chairman of every sub-committee, every director, Chairman of the Executive Committee, Vice Chairman of the Executive Committee, Managing Director and Chief Executive Officer, and the Company's top executives gave high importance to the shareholders' meeting and were present in all the meetings. The Company's external auditor, legal advisor, and advisor to the Board of Directors were also invited to the meeting to provide information and answer shareholders' questions. Moreover, the Company invited representatives from external regulatory organizations such as representatives from the Thai Investors Association joined in asking questions at the meeting. Before convening the meeting, the Chairman of the Board who acts as the Chairman of the meeting assigned the staff to explain all criteria related to the meeting such as votes, etc.
4. Meetings are held according to agenda items notified in meeting invitations sent to shareholders in advance without changing the aforementioned agenda and without asking the meeting to consider other issues than those specified in the meeting agenda because the Company does not have a policy to add agenda items to meetings without notifying shareholders in advance.

With regard to directors who hold a stake in meeting agendas, the Company specifies stakes held by directors in meeting agendas and the Chairman of the meeting notifies the meeting of any directors with stakes or relation in any agenda before considering the aforementioned director. Stakeholding directors will not attend the meeting on that agenda.

5. The Chairman of the Meeting allocated sufficient time, conducted the meeting appropriately and transparently, and provided opportunities for shareholders to express their opinions and raise questions in each agenda item. The questions and answers were clearly and completely recorded by the Secretary of the Meeting. Each agenda item indicated the meeting resolution and result of the votes, including the number of agree votes, disagree votes, abstain votes or untitled votes and voided ballot. The video recording of the meeting was posted on the Company's website after the meeting to enable shareholders



who were unable to attend or interested persons to be informed of the issues discussed during the meeting. The Company organized the Annual General Meeting of Shareholders in accordance with the related law and regulations and the Company's regulations.

### 3. Treatment of Shareholders after the General Meeting of Shareholders

1. The Company discloses resolutions of the meeting of shareholders along with voting results in the evening of the meeting day through the SET's electronic system and on the Company's website.
2. The Company makes accurate and complete records of minutes to meetings in Thai and English for shareholders to examine. The Company records the names and positions of directors in attendance, voting methods, shareholders' opinions, directors' explanations and meeting resolutions clearly along with categorizing votes in agreement, disagreement or abstention and delivering voting results to the SET via [www.setlink.set.or.th](http://www.setlink.set.or.th) within 14 days from the shareholder meeting date along with disseminating the aforementioned reports on the Company's website.
3. The Company records images of the meeting's atmosphere to allow shareholders not in attendance at the meeting to acknowledge on the Company's website.
4. After the shareholder meeting decides to pay dividends, the Company reports meeting resolutions and dividend payout information to shareholders via the Stock Exchange of Thailand's dissemination system and coordinates with Thailand Securities Depository Co., Ltd. to ensure that shareholders receive accurate and full dividend payments. The Company specifies the dividend registry closing date no less than five business days after approval from the meeting of shareholders in line with principles recommended by the Stock Exchange of Thailand.
5. The Company considers recommendations and opinions from shareholders and auditors in assessing meeting results and searches for guidelines to make revisions/modifications in order to continually improve shareholder meetings.

From the assessment of the quality of the Company's 2022 Annual General Meeting of Shareholders conducted by the Thai Investors Association, the Company received a score of 100

The Company is aware of treatment of shareholders to emphasize equitability of major and minor shareholders by placing importance on maintaining shareholders' basic rights and supporting shareholders to exercise rights according to the specified legal basis, by providing complete and equitable information to help shareholders trust the Company and have confidence in investing. Furthermore, the Company provides equitable privileges and profit sharing without discriminating genders, age, ethnicity, citizenship, religion, beliefs, social status, disability or political opinions. Even if shareholders are unable to attend meetings due to any



inconvenience, shareholders are entitled to grant proxy rights for other persons to attend meetings on shareholders' behalf.

Furthermore, the Company is determined to improve every process up to the level of international standards. Thus, the Company adheres to business operations based on honesty, transparency and fairness in order to allow the Company to operate effectively and achieve specified objectives. The Company specifies ethics for directors, executives and employees as guidelines for proper behavior and practice in addition to having policies for directors, executives and employees to adhere to strictly in working to create the most benefit for shareholders and stakeholders consisting of conflict of interest management, keeping secret information, responsibility for the Company's properties and reputation and responsibility to stakeholders.

## 1. Equitable Treatment

1. In shareholders' meetings, the company has policy for preserving the rights of every shareholder by not increasing meeting agendas without notifying other shareholders in advance of the meeting to allow shareholders the opportunity to study meeting agenda information prior to reaching a decision. Every shareholder has the right to vote based on the number of shares held. Each share has one vote and there are no shares with special privileges limiting the rights of other shareholders.
2. The Board of Directors allows minor shareholders to propose agendas at the annual shareholders' meeting and nominate persons with proper qualifications to become directors by announcing for the acknowledgement via SEC channels and on the company's website with clearly defined criteria. The company has allowed shareholders to propose agendas and director names in advance since November 16<sup>th</sup>, 2021 to January 19<sup>th</sup>, 2022. Any company shareholder or shareholders with total shares amounting to no less than 5 percent of shares with rights to vote may propose agendas and nominate director names. No shareholders proposed any agendas or nominated any persons as directors.
3. For transparency and accountability, the company arranged for the use of voting ballots on every agenda and allows shareholders to nominate directors individually.
4. The Company grants stakeholders equal rights to vote with one common share, the only type of share issued by the Company to shareholders, being considered as one vote. Furthermore, resolutions of the shareholders' meeting require a majority vote.
5. The Company provides opportunities for shareholders who do not have the convenience to attend meeting in person to grant proxy rights to other persons or any independent director nominated by the Company. The Company grants rights to and treats proxies as shareholders. In addition, the Company provides convenience for shareholders who are unable to attend meetings in person by sending proxy

letter forms meeting detailed and clear specifications of the Department of Business Development, Ministry of Commerce, with shareholder meeting invitations in Thai and English no less than 21 days in advance of the meetings date. And to create accuracy and prevent problems from proxies' meeting attendance, the Company displays information concerning the meeting, meeting schedules and agendas including steps, documents and evidence required to grant proxy rights on meeting invitations and the Company's website ([www.akkhie.com](http://www.akkhie.com)) in the part of investor relations under the topic of Investor Relations more than 30 days in advance of the meeting. Shareholders can inquire for more information by telephone and email from Investor Relations (see the topic of Investor Relations for more information).

6. Because most of the shareholders attending the annual general meeting of shareholders are Thai, shareholder meetings are conducted in Thai. However, to benefit communications and facilitate foreign shareholders, the Company prepares documents such as meeting invitations, proxy letters, minutes to shareholders' meetings and annual reports, etc., in two languages consisting of Thai and English. Furthermore, the Company's website ([www.akkhie.com](http://www.akkhie.com)) is prepared in two languages to provide services and disseminate information to shareholders who are interested.
7. The Company sends meeting invitations with documents accompanying consideration on various agendas to shareholders no less than 21 days in advance of the meeting's date and the Company disseminates meeting information, schedules and agendas on the Company's website ([www.akkhie.com](http://www.akkhie.com)) more than 30 days in advance of the meeting's date.
8. The Company does not specify conditions or criteria requiring documents to be certified by government agencies or other regulations which will create difficulty for shareholders in granting proxy rights. Furthermore, the Company provides services to affix stamp tariff on proxy letters for proxies in attendance at the meeting and arranges for the staff to provide copying services for documents which need to be attached along with examining document accuracy without charging any fees at the registration point in order to ease shareholders' burdens in procuring stamps and copying documents. Registrations to attend meetings are opened one hour before the meeting. The Company uses the meeting organization program of Thailand Securities Depository Co., Ltd. in registering and counting votes along with organizing receptions for shareholders who come to attend meetings.

## 2. Protection of against Abuse of Insider Information and Conflicts of Interest

The company has specified guidelines to store and prevent the abuse of insider information in ethics for directors and employees to prevent abuse of insider information for personal gain and unlawful gains of others,



which is considered as taking advantage of other shareholders or causing overall damage to shareholders with the following essential principles:

1. The company keeps insider information and has set procedures to prevent the use of insider information for self gain or gains for relations i.e. inside trading. The procedures concerning the leaking of insider information or secrets of company have been provided in the company's policy and regulations manual as well as in the procedures concerning trading of securities. The use of inside information and conflicts of interest has also been provided in business ethics and has been communicated to directors, executives and employees.

The company prohibits directors, executives, employees and relevant persons to buy or sell securities of the company prior to the release of the financial statement and insider information to public and should wait until at least 24 hours after the release of information to public before buying or selling securities of the company. The company has established disciplinary actions for violations of use of inside information for self gain. These could include: written warning, wage cut, suspension without pay and termination. Disciplinary actions is taken depending upon willfulness and severity of the violation.

2. Directors and executives have a duty to report their securities holding of the company and disciplinary actions in accordance with the Securities and Exchange Act B.E. 2535 (1992). If directors or executives buy or sell securities of company, they are required to report their securities holding of the company, including their spouses and minor children in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (1992) to the Securities and Exchange Commission within 3 working days and this information must be disclosed to public.
3. The board of directors have established guidelines to prevent directors and executives who have any personal interest in any transactions or on matters directly affecting the company to participate in the decision-making or approval process of the company. Prior to the board of directors meeting, directors who have any interest in any transactions are requested to disclose their interest in any transactions and that director has no right to vote on such issues.
4. The company has a simple shareholder structure and share price volatility is normal.
5. Established guidelines regarding not using insider information for unlawful gains in the Handbook on Business Ethics and Code of Conduct
6. The Company adopted measures and steps for granting approvals of related party transactions as prescribed by law and in accordance with standards prescribed in the requirements of the Capital Market Supervisory Board and SET by implementing the "Rules of Entering into Related Party Transactions",

which were approved by the Board of Directors. For related party transactions which required approval from shareholder meeting prior thereto, the Company would disclose information on such transactions in the letter of invitation to the meeting, e.g. names and relationships of related parties, nature of the transactions, the transaction pricing and valuation policy, reasons for making such transactions including opinions of the Board of Directors and the independent financial advisor on such transactions, etc., and deliver the letter of invitation to the meeting within such time as fixed, and properly and completely fulfilled all relevant obligations in accordance with requirements of the Capital Market Supervisory Board and SET. In 2022 the Company had no related party transaction which required prior approval from the shareholder meeting, The Company disclosed the details of related transactions of all types made during. And 2022 in the annual report and Report 56-1 One Report under the heading "Connected Transactions"

7. The Company does not have a business group structure that engages in related transactions that may have conflicts of interest
8. The Company strictly complied with laws and requirements of the Capital Market Supervisory Board and SET relating to transactions on acquisition or disposal of assets. In case of transactions on acquisition or disposal of assets approved by shareholder meeting, the Company would disclose details thereof in the annual report and the 56-1 One Report Form of that year. Up to present the Company has never entered into any transaction on acquisition or disposal of assets by violating or failing to comply with relevant laws and requirements.

### 3. Stakeholder Information Disclosure

The company has specified the following guidelines on disclosure of stakeholder information of directors and executives for transparency to prevent problems due to conflicts of interest:

1. Directors are required to notify the company without delay when a director and family members have interests or are shareholders in any business with potential interests or conflict with the company having a direct or indirect stake in any contracts made by the company or when a director and family members hold securities in the company and affiliated companies. Stakeholder Directors and executives must be excluded from participation in discussions aimed at rendering opinions or voting to approve the aforementioned transactions.
2. Directors and executives are required to report securities held by the company at every meeting of the Board of Directors. The aforementioned agenda is to notify directors that directors and executives, including spouses and children who have not reached adult maturity and related persons according to Article 258 of the Securities and Exchange Act of B.E. 2535 (1992 A.D.), are under obligation to prepare and disseminate reports on security holdings, including reports on changes in security holdings for the SEC

whenever securities are purchased, sold, transferred or received within three days ( [www.sec.or.th](http://www.sec.or.th) ) from the securities purchase/sale date.

In 2022, the company has not received any complaints. Regarding the disrespect of the fundamental rights of shareholders, the Company treats shareholders equally.  
And did not find the use of the Company's inside information.

### Section 3 : The Role of Stakeholders

The Company and its Board take into account the rights of all stakeholder groups and consistently abide by corporate governance principles, best practices, and other supporting guidelines, including our Code of Conduct, to ensure equal and proper treatment of all stakeholders. This takes into account, although not exclusively, employees, shareholders, customers, business partners, competitors, creditors, communities in which we operate, society as a whole, and the environment. Furthermore, the Company abides by international human rights principles and anticorruption guidelines to promote the development of society as follows:

1. **Shareholders:** The company performs duties to shareholders with honesty and fairness and manages business for stable progress and interest of shareholders by disclosing information to shareholders equally, regularly and completely. The company provides opportunities to propose opinions, suggestions, including either additional agenda items or candidates to serve as directors.
2. **Customers:** The Company has a quality policy as well as the ISO 9001:2008 quality system dedicated to creating customer satisfaction and allowing customers to trust that they are receiving high quality products and services at reasonable prices. The Company aims to maintain good customer relations and is dedicated to ensuring that any customer complaints are dealt with fairly and efficiently. The Company will also safeguard any customer data that should not be divulged, unless such customer information must be disclosed to third parties under the Sustainable Development Policy and Code of Conduct on responsibility to customers.
3. **Business partners and creditors :** The Company has a policy to treat every business partners and/or creditors with equality and fairness, adhering to the business operation to create credit worthiness in the eyes of creitors on the realization of mutual benefits whilst avoiding a situation which can give rise to conflict of interest or damage to the Company's reputation or illegal as follows:
  - The Company shall do its best to endeavor to comply with any contract, agreement, or various conditions concluded with business partners and/or creditors. If compliance with the conditions





cannot be achieved, the Company shall promptly inform business partners and/or creditors within a reasonable time in order to determine sound and reasonable remedial actions.

- The Company shall provide business partners and/or creditors with adequate data, and shall not provide any false, distorted, or incomplete data which, in turn, can cause business partners and/or creditors to have a misunderstanding and impact decisions.
- The Company shall conduct financial management in a way that business partners and/or creditors shall have confidence in its financial status and ability to pay Company debt.
- The Company shall by no means, ask for, receive, or grant any trade benefits to business partners and/or creditors with dishonesty. If dishonest behavior occurs, the Company shall notify business partners and/or creditors of all details and cooperate with them to correct the problem with speed as well as take measures to prevent recurrence.
- Deals with business partners and/or creditors shall be conducted in a good manner without damage to the Company's reputation or any illegal activity. Conduct should be on a basis of equality, fairness, and mutual benefits.

4. **Communities / Society / Environment** : The company has a responsibility to communities and society to follow standards related to safety, security, occupational health and environment and address concerns that impacts natural resources and the environment.

5. **Employees** : Our employees are our most valuable asset. Therefore, there are policies in place to foster advancement of employees, driven by procedures for human resource improvement including the provision of both professional and general improvement training courses on a regular basis. Also, the Company values equal and fair treatment of its employees.

**Remuneration Management** : The Company has a policy to determine appropriate remuneration and other benefits for employees in line with the Company's performance both in the short and long terms. The Company has implemented a job evaluation system to determine the value or worth of a particular job in relation to other jobs within the organization in order to provide merit compensation. Regular salary and benefit surveys are conducted to benchmark the Company against the market, while the cost-of-living index is taken into account to ensure that compensation packages and rewards are reasonable and competitive.

**Welfare and Benefits**: One of the main objectives of the sustainable business operation is to maintain the potential personnel with the organization, which the company considers compensation and welfare for employees to be able to compete with other nearby industrial groups. Yes, by establishing a policy for establishing relationships in the



organization through the approval of "Welfare Committee" to develop the welfare system And quality of life of employees to be suitable in accordance with the law such as

- (1) Benefits on bonus funds
- (2) Lunch welfare
- (3) Employee uniform welfare
- (4) Benefits on risk values
- (5) Personal accident insurance benefits
- (6) Social Security Fund welfare
- (7) Provident fund benefits
- (8) Welfare allowance, hard working allowance
- (9) Welfare on human resource development
- (10) Annual health check welfare
- (11) Grants such as wedding allowances, maternity allowances, and ordination allowances
- (12) Employee shuttle benefits
- (13) Benefits, grants for funeral expenses

13.1 Person in the employee's family such as parents Husband / wife or legitimate child

13.2 In the event that the employee passes away

**Employee Well-being :** The Company places consistent priority on employee well-being. In addition to providing a safe and healthy working environment as required under occupational health, safety, and environment legislation, the company also aims to improve overall quality of life for its employees by adhering to international standards for workplace health and safety, providing ergonomic office equipment, and offering facilities and programs to encourage wellness among all employees. The Company has also set up a provident fund, run by a professional fund management company certified by the Securities and Exchange Commission, to help employees prepare for financial security in retirement.

**Employee Development :** The Company supports and invests in continuous employee development throughout the organization with a systematic approach whereby managers must consistently plan, review, and report on staff development activities that are aligned with their business direction. This development covers managerial knowledge and skills, leadership, professional/functional knowledge & skills, critical thinking skills, and global perspectives. The Company provides a career path for continual advancement, supported by a succession plan and a talent development program, in order to achieve objectives, maintain a culture of good corporate governance, and fulfill commitments to all stakeholders.



6. **Business Competition** : It is the Company policy to support and promote free and fair competition in business in pursuant to the rules of fair competition. It is against the aforementioned policy to resort to any form of business competition in which information from competitors is acquired in an unlawful or unethical manner or which intentionally aims to destroy the reputation of competitors with groundless slander as described in the Code of Conduct.
7. **The Media** : Any information about the Company to be supplied to outside sources must be factual and accurate, and presented with care. This policy has been included in the Code of Conduct. Those who do not have relevant duties or receive assignment cannot give information or interviews to press or public in reference to the Group in any way. This prohibited action can give rise to undesirable impact on the reputation and business operations of the Company.
8. **Safety, Occupational Health, and Environmental Conservation** : The Company considers the management of safety, health and environment conditions in workplace to be of utmost importance to successful and sustainable business operations. This includes ensuring safety of the work environment for company employees as well as customers and other relevant persons. The Company therefore maintain has Policy on Occupational Safety, Health, and Environment as follows:
  - All employees throughout all levels of the Company are responsible for maintaining the safety, health, and environment conditions in the workplace by cooperating to ensure the safety of life and property.
  - The administration of occupational safety, health, and environment procedures is carried out in accordance with all applicable laws, regulations, and other relevant provisions throughout the Company's business operations.
  - The Company maintains procedures as well as a working plan concerning occupational safety, health, and environment, including review of the plan and continual follow up and assessment of results. The Company also establishes preventative measures to control risk which may give rise to loss from accident, injury, or illness due to improperly following procedures or any errors which may occur.
  - The Company promotes and supports performance of duties by personnel in a manner which does not create danger to life, body, mind, or health.
  - The Company communicates and distributes information regarding occupational safety, health, and environment to company personnel as well as to stakeholders involved in the Company's operations, in an appropriate manner.
9. **Environmental Preservation and the Efficient Use of Resources** : The company encourages the efficient use of resources for maximum benefits concerning environmental impacts and has stipulated systematic measurement to prevent impacts.
10. **Respecting Human Rights** : The Board of Directors, executives and employees at every level adhere to principles of human rights, supports treating every person with respect and fairness, respect and consider

human dignity, equality and respect for personal rights, freedoms and equality without discrimination for reasons of nationality, citizenship, origins, religion, gender, language, beliefs, education, race, disability, expression of political opinions, economic status, membership in groups or any other social status unrelated to work or any other topics.

11. **Avoiding Infringement of Intellectual Property** : The company has a policy and guidelines to respect by not violating intellectual property or copyrights for which directors, executives and employees have to follow the ethics on intellectual property and copyright.
12. **Anti-Corruption** : The Board of Directors has established and improved the policy on anti-corruption of the Company clearly and also determined the manual on anti-corruption measure to be the guidelines for directors, executives and employees. It focuses on preventing and fighting against all kinds of corruption directly and indirectly, including not involving with bribes and corruption with officers and entities in the public and private sector in order to acquire or maintain competition advantages. In addition, the Company appoints the Anti-Corruption Working Group to coordinate with executives and all sections in the organization in order to improve related rules, requirements and practices correspondingly and appropriately based on the current situations. Moreover, the policy and manual on anti-corruption measure are published to external persons. The company received a renewal certificate from the Private Sector Collective Action Coalition Against Corruption on 2016 to present. In this regard, the Company has opened this policy on the website of the company that [www.akkhie.com](http://www.akkhie.com)
13. **Procedures for Whistle-Blower and Mechanisms for Whistle-Blower Protection** : The Company has set up a Whistle-blowing Policy to provide channels for reporting and to encourage all employees to report any information on misconduct and/or fraud occurring in the Company. This is will prevent misconduct and/or fraud which may occur in the organization and help detect and reduce damage from misconduct and fraud. In addition, this Policy provides protection to employees who provide information, cooperation or assistance to the Company concerning misconduct and fraud from any kind of threat or unfair act.

## Complainants

Employees, relevant officers, or a third party coming across or becoming aware of dubious acts including those affected by the company's business or the conduct of company directors, executives, or employees that violate laws, regulations, the company's corporate governance, code of conduct, policies, and regulations and suspected corrupt practices. The company encourages complainants to identify themselves and provide adequate evidence.

## Channels for Reporting Complaints and Clues of Wrongdoing and Corruption

The Company assigns the Chairman of the Audit Committee to consider accepting reports, clues and complaints concerning actions which may create suspicion of bribery and corruption in the Company directly or



indirectly. Complainers must specify information on the topic of the clue, complaint, evidence or sufficient information for examination including names, addresses and telephone numbers through the following channels:

1. The Company's online channels at [www.akkhie.com](http://www.akkhie.com)
2. Report by telephone at 02-323-0714 ,02-323-0716 ,02-323-0718 (Human Resources Department).
3. Report by addressed mail or submit letters directly to the following:
  - Chairman of the Audit Committee.
  - Chairman of the Investigative Committee.
  - Chief Executive Officer and Managing Director.
  - Company Secretary.
  - Manager, Internal Audit Department.

At Akkhie Prakarn Public Company Limited 792, Moo 2, Soi 1c/1 Bangpu Industrial Estate,  
Sukhumvit Road, Bangpumai, Samutprakarn, Samutprakarn 10280

In cases where informants or complainants have complaints related to the Board of Directors, any sub-committee and high-ranking executives, please send complaints directly to the Chairman of the Audit Committee.

### **Company Actions Taken after Receiving Complaints**

1. When the Company receives clue reports, the complaint recipient will examine, gather facts or assign trusted persons, agencies or the Investigative Committee to examine the facts.
2. If the facts have been investigated and information or evidence show reason to believe the accused to have committed bribery and corruption, the Company will allow the accused to acknowledge the accusations and prove innocence by presenting additional information or evidence showing no involvement in actions according to accusations.
3. If the accused did commit bribery and corruption, the accused will be considered for disciplinary action according to the Company's regulations. If the aforementioned actions are illegal, the accused will also be punished according to the law. In the area of disciplinary actions according to the Company's regulations, the Chief Executive Director's judgment is considered final and must be reported to the Audit Committee for further acknowledgement.
4. Informants who report clues or complaints must report honestly. If the Company discovers clues or complaint reports to be dishonest or intended to cause damage and disreputation to others, etc., and the aforementioned person is an employee of the Company, that person will be disciplined in line with regulations. However, in cases where the person is an outside person and the Company is damaged, the Company will consider prosecuting that person.



In cases where complaints are important such as issues with impact on the Company's reputation, image or financial status, conflicts with the Company's policy in business operations or topics related to the Company's high-ranking executives and directors, etc., the Audit Committee has the duty to accept topics, search information and examine facts as notified in order to report to the Board of Directors for consideration and punishment as the Board of Directors considers appropriate.

### **Disciplinary and Legal Actions**

1. The Company will carry out disciplinary actions for employees who violate compliance with this policy including direct supervisors who neglect wrongdoing or acknowledged but did not manage wrongdoing. Direct supervisors may receive disciplinary actions up to termination of employment. Ignorance of this policy and/or related laws cannot be claimed as an excuse for non-compliance.
2. Representatives, business mediums, distributors of goods/services or any contractor of the Company who violate criteria in this policy provide inaccurate data when the Company's enquirers ask for information concerning actions potentially in conflict with this policy may have contracts terminated.

### **Reporting Results to Complainants**

The Company will inform complainants who disclosed names, addresses, telephone numbers, email or other contact channels of progress and results from considering complaints related to wrongdoing and corruption. Nevertheless, if there is reason or necessity concerning personal information and confidentiality, the Company may not provide information related to investigations or disciplinary actions.

### **Protection of Complainants, Whistle-Blowers, and Related Parties**

Complainants or whistle-blowers are to be suitably and fairly protected by the company, which implies no change in job titles, job nature, workplaces, job relief, threats, job harassment, dismissal, or unfair acts. The company will keep their complaints confidential and not disclose them to unrelated parties except when required by law.

Those with knowledge of complaints or related information must maintain confidentiality and not disclose it except when required by law. If this is intentionally violated, the company will punish them under its regulations or the law, or both, as seen fit.

### **Confidentiality**

1. All related persons must keep the fraud information and the investigation confidential and disclose details to anyone other than those who have a legitimate need to know.
2. The Investigation Report may not be disclosed to anyone in order to avoid damaging the reputation of an employee suspected but subsequently found innocent of any fraud, and to avoid potential civil liability.



3. Do not disclose the investigation report to any person in order to avoid damaging the reputation of the accused person if it is later found to be innocent. And to prevent legal risks that may occur to the company

In recent years, the company has received no 2022 complaints involving misconduct or behavior.

## Section 4: Disclosure and Transparency

The Company places importance on the disclosure of information with accuracy, completeness, transparency and equality for financial statements and general information, and also other information that would impact the Company's share price. To ensure that investors and all other related parties have free access to the information, the Company publicises the information through different media channels such as website of The Stock Exchange of Thailand, Form 56-1 One Report, Annual Reports , and at the Annual General Meeting of shareholders. In addition, the Company's information which has been reported to The Stock Exchange of Thailand, shareholders and investors, will be publicised in both Thai and English language on the Company's website [www.akkhie.com](http://www.akkhie.com). This is another communication channel which is very timely and provides an easy access to the users.

Discloses significant information through the SET's channel as well as on its website in both Thai and English. Such significant information includes annual report, corporate governance policy, company information and news releases. The website is regularly updated to provide the shareholders and outsiders to have easy access to timely and accurate information for their best benefits. The significant information is as follows:

1. Essential information consists of both financial and non-financial information. The financial statements must be reviewed and audited by the auditor and deemed to be accurate in all material respects and in conformity with the generally-accepted accounting principles. They are approved by the Audit Committee and the Board of Directors before disclosing to the shareholders. The Board of Directors is required to disclose a report on its responsibilities for the financial report, a report of the Audit Committee and a report of the auditor in the annual report. Also discloses connected transactions in the 2021 Annual Information Form (Form 56-1 One Report) and Annual Report (Form 56-2).
2. The Company was able to submit both the quarterly and annual financial reports for 2020 within the schedule determined by the SEC and SET. The Company emphasized on preparing financial statement properly in accordance with generally accepted accounting standards, using appropriate accounting policies applied on a consistent basis. The Company was very rigorous in submitting financial statements and financial report within the schedule prescribed by law. The Company's financial statements were certified with unqualified

pinions by the auditor and have never been ordered by the SEC to make any correction thereto and have never been submitted late.

3. The Company prepared Management's Discussion and Analysis by giving analytical explanations on financial position and operation results of the Company and forwarded them to the SEC and SET together with all quarterly financial statements and publicized them on the Company's website as information supporting disclosure of all quarterly financial statements to enable investors to be aware of and comprehend the changes to the financial position and operation results of the Company in each quarter better.
4. The Company provides a statement of the Board's responsibilities concerning the Company's financial report. This statement is presented in the Company's annual report.
5. The Company reveals auditing fees and other service fees paid to its auditors in Form 56-1 One Report and the annual report. In 2022, the company assigned Karin Audit Company Limited with capability and experience to be the independent auditor and was approved by the Securities and Exchange Commission. The financial statement was verified to be accurate in accordance with accounting standards and also passed the approval of audit committee and the board of directors before disclosure to shareholders.

5.1 The Company paid 610,000 baht (Six hundred and ten thousand baht only) in auditing fees to Karin Audit Co., Ltd. The aforementioned auditing agency company and selected certified public accountants have independence and no relations or stakes in the Company, executives, major shareholders or persons related to the aforementioned individuals.

5.2 Other Fees

- None -

6. The Company discloses roles and responsibilities of the Board of Directors and subcommittees, number of meetings, attendance of each member in 2022, as well as trainings and knowledge development activities of the Board and discloses remuneration of directors and senior executives, indicating forms and types of remuneration, in Form 56-1 one report and the annual report.
7. The Company disclosed the backgrounds of all directors in the annual report, Report 56-1 one report and on the Company's website by specifying their names-surnames, ages, positions, educational backgrounds, training, working experiences, number of shares in the Company and proportion of shareholding, holding of director office in any other company, clearly separating into the heading of listed company and other companies, date appointed as director, as well as family relationships among executives





8. Remunerations of directors of the Company reflected the obligations and responsibilities of each director. The Company paid directors their remunerations in 2022 at such rates as approved by the 2022 AGM, which were the same rates as approved by the 2023 AGM, which have remained unchanged since 2011

In this regard, the Company disclosed the amount and type of remuneration received by each director from the Company and subsidiaries individually in the annual report (56-2) and Report 56-1 under the "Management Structure" and publicized them on the Company's website.

9. In 2022, the Company paid high-level executives their remunerations in accordance with the Company's policy to pay remuneration by reflecting the obligations and responsibilities of each high-level executive and at suitable rates by comparing with the same type of business, and disclosed the details of remuneration payment in respects of format, nature and amount of remunerations in the annual report and Report 56-1 one report.

10. The Company established a policy requiring directors and senior executives to submit copy of report on holding of securities of the Company in case of changes to the holding of securities (Form 5 9 ) to the Company within the same period when the directors and senior executives delivered it to the SEC Office for retention by the Company as evidence and report to the Board of Directors meetings on a regular basis. Directors and senior management who wish to buy or sell the securities issued by the Company, shall notify the Company Secretary at least one business day in advance of the date of entering into such transaction.

Moreover, the Company disclosed changes to the holding of securities of the Company by directors and high-level executives by illustrating in the annual report the number of shares held at the beginning of the year, changes during the year and the number of shares held at the end of the year.

11. In addition to disclosing information as specified in regulations through the SET, the Company has disclosed important Company information, both in Thai and English, to the public on the Company's website. All disclosed information is up-to-date and includes the following:

- The Company's vision and mission
- list and authorities of the Board of Directors and subcommittees
- organizational structure
- Nature of Business
- top 10 shareholders
- Financial statements, financial status and performance
- Downloadable Annual Registration Statements Annual Report



- Annual registration statement (Form 56-1 One Report)
- Shareholders structure and the Company structure
- Invitation letters for shareholder meetings, other relevant documents and minutes of shareholder meetings
- Company regulations and company certificate
- Corporate Governance Policy, Code of Conduct, Anti-Corruption Policy, Management Policy as well as other policies
- Sustainability Report That can be downloaded
- Contact information for Investor Relations Etc.

12. The Company realizes that its financial and non-financial information influences the decision-making process of its investors and stakeholders. The Management focuses on disclosure of information, that is accurate, complete, regular, timely and in accordance with the criteria stipulated by the SEC and the SET. The Company, therefore, assigned the Corporate Communication Department to disclose significant information to investors and supervise the financial reporting process, as well as other material information affecting the price of Company's securities, i.e. financial statements, operational results, information disclosed through the [setlink.set.or.th](http://setlink.set.or.th) to investors, so that they receive accurate and complete information regularly. The Company presented its operational results and information disclosure to investors, shareholders and relevant persons by using direct and indirect methods as follows;

- **Direct:** The company presents its operational results to the securities analysts, investors and employees regularly in the form of analyst meetings, during meeting presentations and company visits where executives are met to enquire about progress of its operational results.
- **Indirect:** The company provides information about the company, operational results, financial reports, including other reports through the Stock Exchange of Thailand and can be found under the Investor Relations tab of the Stock Exchange of Thailand website [www.setlink.set.or.th](http://www.setlink.set.or.th) or the company's website [www.akkhie.com](http://www.akkhie.com) in Thai and English.

For further information or if investors have any questions, please contact the Corporate and Marketing Communication Department, contact number 02-323-0714 ,02-323-0716 and 02-323-0718 ext. 104 or at [www.Akkhie.com](http://www.Akkhie.com)

In 2022, the Company sent quarterly and annual financial statements on time and consistent with the criteria notified and specified by the Stock Exchange of Thailand without notifications from the Securities and Exchange Commission to amend financial statements.

The Board of Directors was appointed by shareholders with roles and duties to govern the business on behalf of shareholders who oversee operations in order to build confidence that the Company's activities are consistent laws and ethics. The Board of Directors is independent from the Company's executives and duties and responsibilities are clearly divided between the Board of Directors and executives through specification of roles, duties and responsibilities of the Board of Directors, the Chairman of the Board, the Chief Executive Officer and the Managing Director *(Details of the scope, powers, duties and responsibilities of the Board, etc. can be found at "Corporate Governance Structure. And important information about executives in item 7 in Form 56-1 One Report ")*

## The Structure of the Board of Directors

1. As at 31 December 2022 the Board of Directors comprised 9 qualified and knowledgeable members with wide experiences and specialties beneficial to the Company. The number of directors was appropriate and adequate to the size and type of the Company's business with non-executive directors having experiences in major business being operated by the Company. The structure of the Board of Directors comprised:

- (1) 4 Executive Directors and
- (2) 5 Non-Executive Directors, of which 3 directors were independent directors  
or 1/3 of the total number of directors,

The company disclosed the structure of the board of directors, duties and responsibilities of the selection criteria. Important information of each director such as name-surname, position, date, month, year of being appointed to be director As well as the biography of each director In the annual report and Form 56-1 One Report, as well as the company's website at [www.akkhie.com](http://www.akkhie.com)

2. Diverse board The skills are consistent with the business strategy of the company through the preparation of a table of skills (Board Skills Matrix) and a variety of educational background, experience, without any differences. Details of the biography of directors appear in the heading of "Board of Directors and Executives"
3. Independent directors account for more than one-third of the Board. Today there are 3 of them,
4. The Company has one woman Independent Director
5. None of the Company's directors or executives is or was an employee or partner of the external auditing company providing services to True Group for the past two years.
6. The Chairman of the Board is a non-executive director and the President (Co) is not the same person as the Chairman. The roles and responsibilities of the Chairman are in accordance with the law. The roles and responsibilities of the President (Co) are determined by the Board of Directors and the authority and



responsibilities of the Chairman and the President (Co) are disclosed under "Management structure" in the annual report and Report 56-1 which is also posted on the Company's website.

7. The Company's Internal Audit Department reports directly to, and is accountable to, the Audit Committee. The Company has disclosed the name and profile of the head of Internal Audit Department in the annual report and Report 56-1 one report which is also posted on the Company's website

In this regard, the company has disclosed the name and profile of the head of the internal audit department in the annual report and Form 56-1 One Report, which are published on the company's website.

8. The function of Company Secretary is in place to serve the Board of Directors in area of providing advice on laws and regulations related to the Board, helping organize the Board's activities, and monitoring compliance with the Board's resolutions. The Company Secretary is training courses as well as participating in any company secretary-related training courses.

The Company has disclosed company secretary's job description, working experience and related training courses attended in the annual report and Report 56-1 one report which is also posted on the Company's website.

9. Board of Directors It has also appointed various sub-committees, namely the Audit Committee. Risk Management Subcommittee Nomination and Remuneration Subcommittee Good Corporate Governance and Social Responsibility (CG&CSR) Subcommittee and Executive Committee to perform specific duties and propose the matter to the Board of Directors consider or acknowledge Each sub-committee has the scope of authority as specified in the powers and duties of each sub-committee.

*(Details of the scope, powers, duties and responsibilities of the Board, etc. can be found at "Corporate Governance Structure. And important information about executives in item 7 in Form 56-1 One Report ")*

## Term of Office of Directors

1. A director shall be appointed for a term of office of 3 years and a retiring director is eligible for re-election. The Company has no restrictions on re-election of retiring director and age of directors. However, the Company mainly considers their abilities to perform duties.
2. Term of office of directors is in accordance with the Company's Articles of Association. At every annual general meeting, one third of the Directors who are subject to retirement by rotation shall retire. The director to retire by rotation shall be those who have been longest in office since their last appointment and the retiring director is eligible for re-election.

3. Where a vacancy occurs in the Board of Directors for reasons other than the retirement by rotation, the Board shall elect a person who is qualified and is not prohibited under Section 68 of the Public Limited Companies Act B.E.2535 by a vote of not less than three-fourth of the number of shareholders as the substitute Director at the next meeting of Board of Directors. The substitute Director shall hold office only for the remaining term of office of the Director whom he or she replaces.
4. An independent director shall be appointed for a term of office of not more than 3 consecutive terms or not more than 9 years, whichever is longer. If the Board of Directors deem that it is necessary to hold office more than 3 consecutive terms or more than 9 years, the tenure of such independent director shall be extended.

### High-Level Executives Succession Plan

The Board of Directors is aware of the significance of human resources so the Nomination and Remuneration Committee is established to prepare the succession plan for the position of Chief Executive Officer and high-level executives from the department manager level or higher level and report directly to the Chief Executive Officer (CEO) based on the stipulated rules, including consider and review such plan annually.

There are 6 steps in succession planning as follows:

- Step 1 Determine this plan as a way of planning succession in the organization.
- Step 2 Determine the primary position that requires a successor.
- Step 3 Determine qualifications suitable for the primary position.
- Step 4 Assess the competencies needed for that position in the future to prepare the person.  
to changes both inside and outside the organization
- Step 5 Create a leadership development plan for the person who is expected to be a successor.
- Step 6 Bring in successors and continually evaluate the effectiveness and success of all plans.

### Policies and Methods of Practice in Positions As Directors of Other Companies for Directors and Executives

The Board of Directors gives importance to the performance efficiency of directors, thereby enabling directors to fully devote time to governing the company's business. Therefore, policy has been set to limit the number of other registered companies in which directors and executives can hold positions as directors to no more than five other registered companies. Currently, no directors of the company hold positions exceeding set criteria.

## Leadership and Vision

The Board of Directors participates in setting short-term and long-term vision, obligations and strategies including goals and business plans by annually revising the company's vision, obligations, strategies and business plans. Furthermore, the Board of Directors has set success indicators for the organization in each aspect such as growth building and finance including preparation of vital work systems such as the internal control system and the risk management system. The Board of Directors monitors management performance by stipulating that the Managing Director make quarterly reports in order to review and ensure effective company performance.

## Corporate Governance Policy

The company has established a written policy for directing the business and the Board of Directors to hold regular reviews of these policies for adherence to the aforementioned policy. Moreover, the company will act according to the rules and various regulations set forth by the Board of Directors overseeing stocks and stock exchanges and the Stock Exchange of Thailand and will disclose reports on the direction of the business in the annual reports and in the form showing the list of annual information (Form 56-1 one report). It is also disseminated at [www.akkhie.com](http://www.akkhie.com). Business care policy is composed of governance in various areas as follows:

### Zero Tolerance Policy on Bribery and Corruption

The company is committed to zero tolerance policy against every type of bribery and corruption. To operate in a business at risk for corruption, and with careful consideration and practice, the company has prepared written zero tolerance policy against bribery and corruption along with stipulating that the company and subsidiaries comply with anti-bribery and anti-corruption policies with the aim of pushing for and maintaining corporate culture by adhering to the fact that "corruption is unacceptable in transactions with the public and private sector" as disseminated by the company in [www.akkhie.com](http://www.akkhie.com)

### Operational Guidelines Zero Tolerance Policy against Bribery and Corruption

1. The company has zero tolerance policy against bribery and corruption while complying with all anti-bribery and anti-corruption laws in Thailand.
2. The company will not directly or indirectly participate in bribery and corruption. The company is committed to implementing an effective anti-bribery and anti-corruption system.
3. Company directors, executives and employees at every level are required to comply with the zero tolerance policy against bribery and corruption by not participating directly and indirectly in corruption and bribery of public and private officials such as the personnel of companies involved in transactions with the company to gain or maintain businesses or competitive dvantages.



4. Employees are under obligation to neither neglect nor ignore. When actions fitting the scope of corruption are encountered, employees are required to notify supervisors or the persons responsible and cooperate in investigating the facts.
5. Any action under the anti-corruption policy is to implement practice guidelines set out in the company's business ethics and regulations, including related company operational manuals and any other practice guidelines specified by the company in the future.
6. Corruption is a violation of the company's business ethics requiring consideration for disciplinary action based on regulations set forth by the company. Furthermore, corruption may result in penalties according to the law if the aforementioned action is illegal.
7. The company will give justice and protection to employees who have reported or cooperated in reporting corruption involved with the company.
8. The company recognizes the importance of communication and public relations to build knowledge and understanding among company directors, executives, employees and persons associated with the company on topics requiring compliance with this anti-corruption policy.
9. The company is committed to building and maintaining corporate culture with a firm belief that corruption is unacceptable in transactions with the government sector and the private sector based on protocol.

### **Internal control systems**

The Board of Directors places importance on internal control systems that are adequate and appropriate for all levels of operations. The duties and responsibilities and authority of executives and employees have been clearly defined in writing. There is an appropriate separation of powers to create checks and balances between them. There is a control over the use of the company's assets. Let it be for the real benefit. Including providing accurate and timely financial reports. The Company has appointed an audit committee to review the internal control system and internal audit appropriately.

The company audited the internal audit department to be independent. able to fully check and balance. The company has assigned Mrs. Phiraya Chanyarak to be responsible for the internal control and audit system.

### **Appointment and Consideration of Auditor Remuneration**

The Audit Committee considers the selection, nomination and removal of independent persons to function as the company's auditor and proposed auditor remuneration. The Board of Directors proposes to the shareholders' meeting for approval. The Board of Directors and the Audit Committee is of the opinion that Karin Audit Co., Ltd. has professional expertise, independence and neutrality with experience in continually auditing the company and awareness of information belonging to the company. Auditor remuneration for 2021 was set at

610,000 baht. At the general shareholders' meeting of 2022, the meeting approved auditor appointment and remuneration according to proposals made by the Board of Directors.

## Risk Management

The board of directors set clear specific and measurable goals for business performance. The executives compare actual performance outcomes against the goals determined by internal and external evaluations by assessing risk factors, analysis of causal factors and events that cause risk and also assigned the related department to continuously monitor the risks and report the progress to the supervisors.

## Internal Control Systems

The board of directors considers corruption a major risk to the organization. Therefore, the measures to control corruption are as follows:

1. Preventive measures: set the organization to control and manage, providing a written code of ethical conduct and promoting compliance with the code of ethical conduct, providing a good internal control system, and evaluation of internal controls of each operational unit
2. Supervisors at each level are responsible to prevent, detect and investigate fraud and errors in the operation. In addition, the internal audit unit that is independent of the executive, reviews the rules, regulations and monitors risk alarms.
3. The investigation must be fair to the accused and afford appropriate protection to the informant or whistle blower.

## Reports of the Board of Directors

The board of directors is responsible for important business operations and the direction of the business, general financial statements of the company and subsidiary companies and financial information appearing to the public in the form of annual lists of information and annual reports. Financial statements will be in accordance with generally accepted accounting standards in Thailand and will be audited by a licensed auditor, licensed by the Security and Exchange Commission. The board of directors must select appropriate accounting policies and ensure it is followed with cautious judgment and best organizational estimation. Significant information must be sufficiently disclosed in the remarks section of the financial statement. The board of directors must ensure that effective internal control systems are in place to be reasonably sure that the accounts are accurate and complete and prevent misrepresentation.



The board of directors appoints an Audit Committee comprising of directors who are not executives and have sufficient independence to be responsible for the quality of financial reports and internal control systems. The board also appoints subcommittee of Risk Management consisting of independent directors and senior executives who are responsible for evaluating the risks in the company's various operating systems.

## Compliance with Corporate Governance Principles on Other Topics

As the SEC and the Stock Exchange of Thailand have campaigned and encouraged listed companies to realize the benefits of good corporate governance, the Company has foreseen and prioritized the development of its operational guidelines. To always comply with good corporate governance principles. In this regard, the meeting of the Board of Directors Acknowledged the Principles of Good Corporate Governance for Listed Companies 2017 (Corporate Governance Code) of the Office of the SEC and has applied such principles as well as the Principles of Good Corporate Governance for Listed Companies 2012 of stock exchange To adapt as appropriate to the business of the company. in order for the business to have good operating results in the long run There is credibility for shareholders and various stakeholders. as well as create sustainable value for the business. In 2022.

The Company has complied with the principles of good corporate governance for such listed companies. Except in some cases where the Company has not yet been able to implement which has the following details.

Unimplemented Criteria	Current Practice Guidelines, Reasons and Necessity
The Chairman is an independent director.	Mr. Uthai Juntima, the Chairman of the Board, was appointed as a director with signatory authority on behalf of the Company. This disqualifies him from being an independent director. Nevertheless, when other qualifications have been considered, the Board of Directors believes the Chairman of the Board can perform duties and provide opinions independently. Furthermore, during meetings, the Chairman of the Board supports and provides opportunities for every director to fully express opinions and hold discussions before considering and deciding that topic without any dominance or indications during discussions from the Chairman of the Board.
The company has specified an independent committee's term for not more than 3 consecutive terms or no more than 9 years, whichever is longer. But if the Board of Directors	The company has independent directors with a term of more than 9 years from the date of being appointed as the first independent director. Due to the nature of the company's business is a specific business. Therefore need independent directors with knowledge and



Deems it necessary to request an independent director Who have held the position for 3 consecutive terms or 9 years, continue to hold the position Authorize the Board of Directors Can extend the term of office of independent directors further	expertise Also have a thorough understanding of the company's business Which takes a long time to learn and understand. And although the Company's independent directors hold office for over 9 years, but with the qualifications and prestige of each independent director As a result, all independent directors are independent in performing their duties as well.
The Chairman of the Recruitment & Wage Sub-Committee should be an independent director.	<p>Mr. Uthai Juntima, Chairman of the Recruitment &amp; Wage Sub-Committee, was appointed to be a director with signatory authority on behalf of the Company. This disqualifies him from being an independent director.</p> <p>Nevertheless, when other qualifications have been considered, the Board of Directors believes the Chairman of the Recruitment &amp; Wage Sub-Committee can perform duties and provide opinions independently according to duties and responsibilities clearly specified in the Recruitment &amp; Wage Sub-Committee Charter. In addition, the Sub-Committee Chairman was able to provide opinions in approval or vote in objection without interference from the management.</p>

## 6.2 Business Ethics

The Board has established the code of conduct to be the guideline and good practiced for directors, executives and employees to adhere by, so that the duties can be performed under the Company's mission, with integrity, honesty, and fairness applicable to all stakeholders, the public, and the society. In addition, the Board also establishes the monitoring system to ensure these guidelines are abided by regularly. The Company has continuously provided trainings and notified all employees to strictly comply with the code of conduct. Directors, executives and employees of the Company are responsible for strictly complying with the code of ethics. All levels of supervisors are responsible for monitoring and encouraging their subordinates to comply with the code of ethics, as well as behaving as a good model for employees. The Company's code of conduct is published on [www.akkhie.com](http://www.akkhie.com).



## Communication Code of Conduct

The company has an awareness-raising process And understanding about the code of conduct for employees in many ways, including orientation for new employees Dissemination is documented for employees to sign for acknowledgment. Dissemination of the Company's Code of Conduct Via the company's website

## Ensuring compliance and review

The company sets it as the duties and responsibilities of every director, executive and employee. To acknowledge, understand and follow the policies and practices set forth in the Business Ethics And the code of conduct in this work of the company strictly Not voluntary compliance And cannot refer to the fact that the established guidelines are not known

Executives at all levels in the company are responsible for it and it is important to ensure that employees under their command are aware, understand and follow business ethics. And the code of conduct in the work of the company very seriously

The company is not willing to let any action That is illegal, contrary to good ethical principles, arises if any director, executive and employee violates the code of ethics set by the company. Will receive a strict disciplinary penalty And if there is an act that is believed to be in breach of laws, rules, regulations and state regulations The company will forward the matter to government officials to proceed without delay.

Board of Directors and the Corporate Governance and Sustainability Subcommittee (CG & CGR). "Business Ethics and work practices" on an annual basis.

## Actions that are considered unethical

Actions that violate the code of conduct are subject to disciplinary consideration in accordance with the Company's regulations or punishable by law If the action is illegal The actions that fall into the category of unethical are as follows.

1. Violate the code of conduct.
2. Suggesting, promoting or encouraging others to fail to comply with the code of conduct
3. Ignore the ignorance when encountering any violation or non-compliance with the code of conduct.

In the event that he / she knows or should have known. As it relates to the work under the responsibility

4. Not cooperating. Or obstruct the investigation of facts claimed to have violated. Or non-compliance with the code of conduct



5. Take action against employees who report suspicions of non-compliance with the Code.
6. Act unfair to others. Due to that person reporting non-compliance with the code of conduct

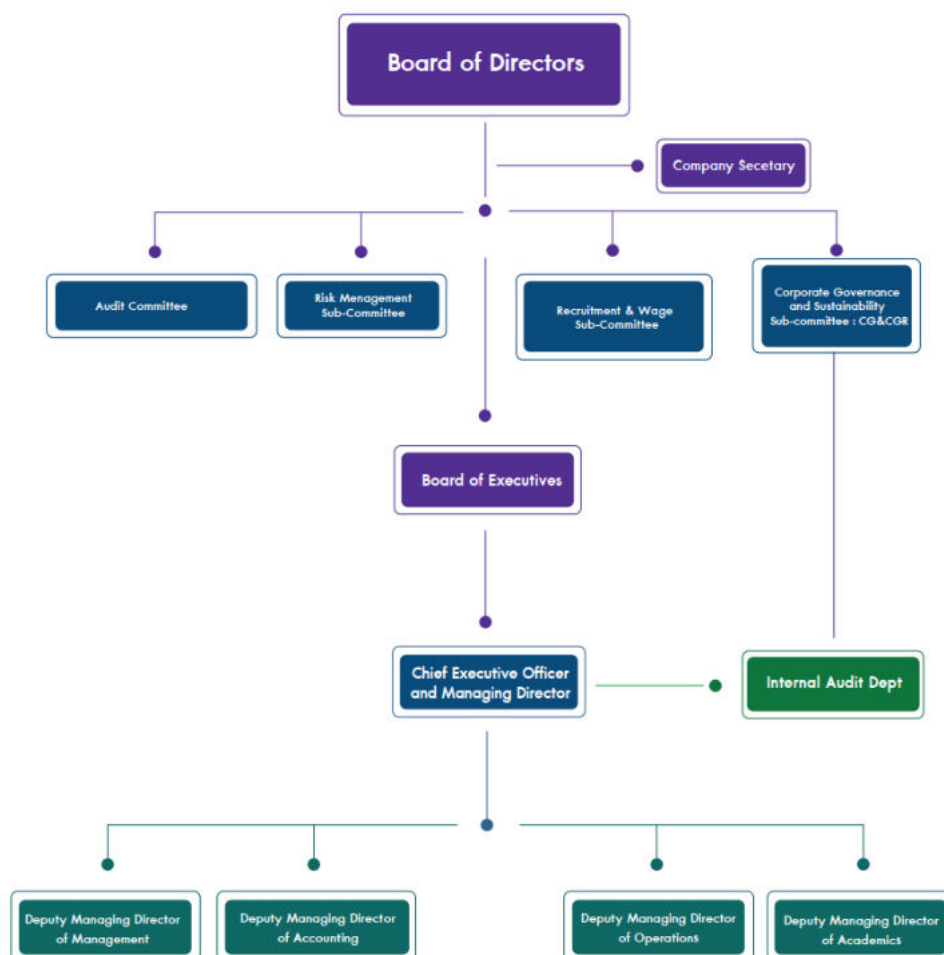
In 2022, the results of monitoring violations or violations of the Code of Conduct in accordance with corporate governance guidelines. No management was found. Or, the employee violates or violates the Company's code of conduct. In addition, there are no complaints about the violation or violation of the Company's Code of Conduct in any way. Interested parties can study the details of the code of conduct through the Company's website. [www.akkhie.com](http://www.akkhie.com)

## 7. Corporate Governance Structure and significant information regarding the Board of Directors, Subcommittees, Management, Employee

### 7.1 Corporate Governance Structure

The Board of Directors and the management perform in the best interests of Company's and its shareholders under a clear, balanced, and accountable management structure. The Board monitors and ensures that the management implements its policies, plans and strategies, and that there is clear distinction of roles and responsibilities between the Board and the management.

#### Committee Structure and Management





## 7.2 Board of Directors

### 7.2.1 Composition of the Board of Directors

The composition of the Board of Directors, It consists of at least 5 members with at least one director whom is knowledgeable in financial and accounting. The Chairman is not the same person as the Chief executive officer and Managing director to clarify separately of duties and operations and not less than half of all directors must reside in the Kingdom. The directors of the Company must be qualified by the legal qualifications without sex discrimination. There are currently 9 directors, including 1 woman :

- 2 Directors who are non Executive Director of the total number of directors.
- 4 Director who is Executive Director of the total number of directors.
- 3 Independent directors of the total number of directors.

### 7.2.2 Directors

As at December 31<sup>st</sup>, 2022 the Board of Directors consists of 9 members.

Name		Position	Appointment Date
1. Mr.UThai	Juntima	Chairman of the Board	21 <sup>st</sup> ,November 2011
2. Mr.Teerasak	Pongpanakrai	- Vice Chairman of Board - Executive Committee	21 <sup>st</sup> ,November 2011
3. Mr.Sakchai	Wongchaisuriya	Independent Director	21 <sup>st</sup> ,November 2011
4. Miss.Benjawan	Prasansap	Independent Director	21 <sup>st</sup> ,November 2011
5. Mr.Prayut	Wiboonsirichai	Independent Director	21 <sup>st</sup> ,November 2011
6. Mr.Suwat	Luengviriya	Director	21 <sup>st</sup> ,November 2011
7. Mr.Suthat	Boonyaudomsart	Director	21 <sup>st</sup> ,November 2011
8. Mr.Vanchai	Luengviriya	- Director - President & CEO	21 <sup>st</sup> ,November 2011
9. Mr.Rerngchai	Rurngpayoongsak	- Director - Executive Committee	9 <sup>th</sup> ,November 2019

Note: 1. Miss.Sakuntala Taichala as the Secretary of Company

2.\* Took office on August 13<sup>th</sup>, 2021

### Director authorized to sign on behalf of the company

The directors authorized to sign on behalf of the company are Mr. Vanchai Luengviriya or Mr.U-Thai Juntima or Mr.Rerngchai Rurngpayoongsak which mutually signed by two out of three authorized directors with the company seal.



## Definition

### *Executive Directors:*

The directors who hold a position in the management and are involved in the day-to-day operations of the organization.

### *Non-Executive Directors:*

The directors who do not hold a position in the management, and are not involved in the day-to-day operations of the organization, may or may not be an independent director.

### *Independent Directors:*

Independent or outside directors who are not engaged in the day-to-day management of the organization and are not major shareholders. Furthermore, independent directors must have no such connection with a major shareholder, group of major shareholders, or other stakeholders.

## Position in Sub-Committees

Name List	Audit Committee	Recruitment & Wage Sub-Committee	Risk Management Sub-Committee	Corporate Governance and Sustainability Subcommittee (CG&CGR)
1.Mr.UThai Juntima	-	Chairman	-	-
2.Mr.Teerasak Pongpanakrai	-	-	-	-
3.Mr.Sakchai Wongchaisuriya	Chairman	Committee	Chairman	Committee
4.Miss.Benjawan Prasansap	Committee	Committee	-	Committee
5.Mr.Prayut Wiboonsirichai	Committee	Committee	Committee	Chairman
6.Mr.Suwat Luengviriya	-	-	-	-
7.Mr.Suthat Boonyaudomsart	-	-	-	-
9.Mr.Vanchai Luengviriya	-	Committee	Committee	Committee
9.Mr.Rerngchai Rurngpayoongsak	-	-	-	-

## Changes in the Securities Portfolios of the Board and the Executive of the Year 2022

The Company has notified all members of the Board of Directors and the Company's Executives on their duties to file their securities holding, including those of their spouses and underage children, to SEC Office within 30 days as from date of appointment as director or executive. In case of change in securities holding, they are required to file the change with SEC Office within 3 business days as from the date of purchase, sale, transfer or acceptance of transfer of such securities. (Reported electronically. [www.sec.or.th](http://www.sec.or.th))

In addition, the Company has stipulated that directors and executives of the company report securities holding and changes in securities holding to the next Board of Directors meeting at all times, as of 31<sup>st</sup>, December 2022. Directors and executives of the company are as follows

Name	Ordinary Share		Up (Down)
	Year-end 2021	Year-end 2022	
1. Mr.UThai Jantima their spouses and minor children	- -	- -	- -
2. Mr.Teerasak Pongpanakrai their spouses and minor children	2,000 -	2,000 -	- -
3. Mr.Sakchai Wongchaisuriya their spouses and minor children	- -	- -	- -
4. Miss.Benjawan Prasansap their spouses and minor children	- -	- -	- -
5. Mr.Prayut Wiboonsirichai their spouses and minor children	- -	- -	- -
6. Mr.Suwat Luengviriya their spouses and minor children	1,198,630 -	1,198,630 -	- -
7. Mr.Suthat Boonyaudomsart their spouses and minor children	9,350 -	9,350 -	- -
9. Mr.Vanchai Luengviriya their spouses and minor children	- -	- -	- -
10.Mr.Rerngchai Rungpayoongsak* their spouses and minor children	- -	- -	- -

## Appointment and Dismissal of Company Directors

The company regulations designating the elements, appointments, dismissals or release from the position of company director, which can be summarized in terms of relevant information as follows:

- The shareholders meeting shall elect no more than five directors and no less than half of the total number of directors must reside in the Kingdom and the company directors must be individuals with the qualifications as specified by the law.
- The shareholders meeting shall appoint directors by majority vote according to the following Criteria
  - The directors shall be elected individually.
  - Each share holder shall have voting power equal to one vote per share.
  - Each share holder shall have voting power equal to the number of shares held wherein one share is equal to one vote.





- Each share holder shall exercise the votes of every existing individual electing directors.
  - Each respective person who receives a majority vote of approval in descending order, but no more than the number of positions up for election at that time that particular person is chosen as a director.
  - In the event that the votes are tied for the individuals up for election for the last position, the Chairman of the Meeting shall cast the deciding vote.
3. One-third of the directors shall resign from their positions at every annual common meeting of the company. If the number of the resigning directors cannot be divided into three parts, the directors shall resign by the number closest to one-third, but no more than one-third of the number of all directors.
  4. The directors to be released from office during the first and second year after the registration of the company are to draw lots to determine who will be released in subsequent years. The director in office longest will leave that office and the directors already released from office may be reelected.
  5. Directors shall be released from office upon death, resignation prior to their term expiration, upon court order to resign, or when the meeting agrees to release the director from office, or when the director lacks qualifications as set forth in the regulations.
  6. In the event that a director's seat is available due to causes other than release due to expiration of the director's term, the remaining directors shall choose qualified individuals without forbidden characteristics as specified to replace the director in the next meeting of the board of directors, unless the remainder of the director's term is less than two months and with the votes of no less than three quarters of the remaining directors wherein the individual to replace said director shall remain in office for the length of the term of the director being replaced.

The Company offers opportunities for minor shareholders to nominate qualified persons for election as directors before the annual general meeting of shareholders in compliance with the Company's director recruitment criteria. In 2022, No minor shareholder nominated individuals to be elected as Company directors.

## Qualifications of Directors

All directors are required to meet the following minimum qualifications:

1. Knowledgeable and skilled persons with honesty, integrity and business ethics.
2. Sufficient time to dedicate knowledge and abilities with the ability to perform duties for the company.
3. Able to directly exercise judgment independently from Management.
4. Independent directors must be qualified under SET's announcement on the qualifications and scope of operation of audit committees.



5. Knowledge, abilities and experience in at least one significant area for the Board of Directors.
6. Qualifications without the prohibited characteristics pursuant to the laws governing public limited companies and other relevant laws.
7. Understand individual roles and responsibilities and perform duties on behalf of related persons honestly and diligently with the determination to continuously generate maximum value for the business and shareholders in the long-term.
8. Able to be a director of another company But being a director of other companies mentioned must not be a hindrance to the performance of directors of the company. And must comply with the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand

## Director Recruitment Policy

The company gives importance to persons with knowledge, ability, experience, good work history and leadership with far-reaching visions including morals, ethics and good attitude to the organization along with the ability to devote sufficient time for benefits in the company's business operations. Furthermore, recruitment also considers any shortage of necessary skills to specify desired qualifications for directors, including suitable qualifications consistent with director components and structures based on the company's business strategies.

Furthermore, the Board of Directors specified official and transparent methods for director recruitment with the following procedures:

1. The Recruitment & Wage Sub-Committee is responsible for identifying and selecting qualified candidates to be proposed through the Board for election at the shareholder' meeting or appointed by the Board according the Company's articles of association.
2. The Recruitment & Wage Sub-Committee is responsible for reviewing, on an annual basis, the skills and characteristics required of directors in the light of the Board's composition and the Company's current and future business and strategic directions. The committee must develop a skill matrix to identify gaps in the Board's current profile and make recommendations accordingly. In conducting this review, the committee will also consider diversity in terms of skills, knowledge, independence, age and gender
3. The Recruitment & Wage Sub-Committee is responsible for screening and examining the names that will be proposed for directorship position with the related agencies to ensure that the individual has the appropriate and required qualifications and does not have any untrustworthy characteristics.
4. It is the equitable right of every shareholder to propose other individuals for consideration. The Company has established the process for nomination and announcement through the Stock Exchange of Thailand's information system
5. In voting, each shareholder shall have a number of votes equal to one share per one vote and voting for each position will be considered on an individual basis.

6. In determining whether to recommend a director for re-election, The Recruitment & Wage Sub-Committee will consider relevant factors such as the director's performance, history of attendance at and participation in meetings, and other contributions to the activities undertaken by the Board.
7. The appointment of members of the Board shall comply with the Company's articles of association and all relevant laws in Thailand. Selection of the directors shall be transparent and clear, and processed through.

### Board of Directors Diversity Policy

The Board of Directors is well aware of the benefits of diversity on the Board of Directors. In addition, the Board of Directors recognizes diversity as an important factor for increasing the decision-making and work efficiency in the Board of Directors. Diversity is not limited to gender but also includes age, educational background, professional experience, skills and knowledge. Therefore, recruitment and considerations to appoint directors of the Company will be based on knowledge, capabilities and selection criteria including benefits of diversity, which includes gender diversity.

## 7.2.3 Information on the roles and responsibilities of the Board of Directors

### Roles, duties and responsibilities of the Board of Directors

1. Performance of duty in compliance with the company's laws, objectives and regulations, as well as resolutions passed by shareholders' meetings, with honesty and caution in preserving the company's interests and ethical responsibility for every shareholder.
2. The board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including defining objectives, determining means to attain the objectives and monitoring, evaluating and reporting on performance.
3. The board should ensure that all directors and executives perform their responsibilities in compliance with their fiduciary duties, and that the company operates in accordance with applicable law and standards.
4. Setting the company's policy and direction and supervising the management to ensure compliance with the company's policies and regulations with efficiency and effectiveness under good governance. The objective is to add maximum economic value to the business and security for shareholders.
5. The board should ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the board.
6. When proposing director remuneration to the shareholders' meeting for approval, the board should consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and company performance, and provide incentives for the board to lead the company in meeting its objectives, both in the short and long term.
7. The board should ensure that all directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively.



8. The board should conduct a formal annual performance evaluation of the board, its committees, and each individual director. The evaluation results should be used to strengthen the effectiveness of the board.
9. The board should ensure that the board and each individual director understand their roles and responsibilities, the nature of the business, the company's operations, relevant law and standards, and other applicable obligations. The board should support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the board and board committees
10. Monitor the company's business operations at all times and conscientiously comply with the law and the company's specifications in related contracts. Stipulate that the management report to the company's Board of Directors on the company's work performance and other relevant issues for acknowledgement in Board of Directors' meetings. The objective is to ensure that the company's business operations are effective.
11. The board should prioritise and promote innovation that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the company.
12. The board should encourage management to adopt responsible operations, and incorporate them into the company's operations plan. This is to ensure that every department and function in the company adopts the company's objectives, goals, and strategies, applying high ethical, environmental and social standards, and contributes to the sustainable growth of the company.
13. Independent directors and external directions are ready to independently exercise discretion in considering the setting of strategies, managing work, using resources, appointing directors and setting business operation standards. They are also ready to object to the actions of other directors or the management in cases where there are differences of opinion on matters with impact on the equality of every shareholder.
14. .The company's Board of Directors is authorized to check and consider approval of the company's policy, guidelines and plans for large investment projects as proposed by sub-committees and/or the management.
15. The company's Board of Directors is authorized to appoint, assign or advise sub-committees or task forces to consider or take action on any matter the Board of Directors deems fitting.
16. Appoint a corporate secretary in compliance with the laws governing securities and the Stock Exchange of Thailand. The corporate secretary will perform the duty of preparing and storing documents and other items as specified by the Securities and Exchange Commission. And to aid the activities of the Board of Directors and the company, e.g. Board of Directors' meetings, shareholders' meeting and the provision of recommendations for the company's Board of Directors in practicing good personal conduct and the right activities in compliance with the law and various regulations on a regular basis. They are also

required to ensure that the company and its directors accurately, completely and transparently disclose information.

17. Strengthen Effective Risk Management and Internal Control

- The board should ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals and strategies, and comply with applicable law and standards.
- The board shall establish an audit committee that can act effectively and independently.
- The board is under obligation to govern the company in establishing an internal control system and an efficient internal audit system. An internal audit unit needs to be established to monitor and act together and in coordinate with the Audit Committee.
- The board should manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.
- The board should establish a clear anti-corruption policy and practices (including communication and staff training), and strive to extend its anti-corruption efforts to stakeholders.
- The board should establish a mechanism for handling complaints and whistleblowing.

18. Ensure Disclosure and Financial Integrity

- The board must ensure the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements.
- Provide balance sheets and income statements as well as audit report of the auditor, all of which are to be approved by the Audit Committee, at the end of accounting year of the Company. Such information will be disclosed in the annual reports and submitted to the annual general meeting of shareholders within 4 months after the end of the accounting year
- The board should monitor the company's financial liquidity and solvency.
- The board should ensure that risks to the financial position of the company or financial difficulties are promptly identified, managed and mitigated, and that the company's governance framework provides for the consideration of stakeholder rights
- The board should ensure sustainability reporting, as appropriate.
- The board should ensure the establishment of a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders (such as analysts and potential investors).
- The board should ensure the effective use by the company of information technology in disseminating information.



19. Maintain the Company's inside information obtained from their job performance and refrain from exploiting such information for personal or other parties' gains. Undertake no securities transactions at least one month prior to announcement of financial statements and at least three days after such announcement
20. Report on one's own portfolio of securities, as well as those of their spouses, cohabitation partners, and minor children under legal age, including legal entities where they have more than 30% shareholding of the number of all voting rights and must report to the Company without delay in the following cases:
  - Directors or related person with vested interests in the Company's or its subsidiaries' management
  - Hold shares or debentures in the Company or subsidiary companies.
21. Ensure Engagement and Communication with Shareholders
  - The board should ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters
  - The board should ensure that the shareholders' meetings are held as scheduled, and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights.
  - The board should ensure that the resolutions of the meeting and the minutes of the shareholders' meeting are disclosed. And the board meeting was correct and complete
  - Deliver the following documents to the shareholders together with the invitation letter to the annual general shareholders' meeting:
    - (1) Copies of balance sheet and income statement audited by the auditor together with an audit report
    - (2) company's annual report
22. Determine, establish and undertake activities in accordance with the established policy on good governance, business ethics and code of conduct, and policy on anti-corruption as well as various applicable operating guidelines that the Company has documented in writing; and undertake a review of these policies and associated activities in accordance with the established policies at least once a year.
23. Each Director cannot hold the position of Director in more than other five listed companies in the Stock Exchange of Thailand (SET), without affecting the current position of the director. This does not include the position of executive directors. Able to hold the position of director in any company within the group of companies without limit
24. Board of Directors Have the authority to consider and approve any matters necessary and related to the Company. or as deemed appropriate for the benefit of the Company, including
  1. Approve and improve the Company's vision, mission, and policies.
  2. Approve both short-term and long-term strategic plans. as well as approve the annual operating plan, budget and manpower. which was prepared in accordance with the strategic plan
  3. Establish and amend the sub-committees' charters



4. Establish and amend the Company's regulations
5. Establish and revise the organization structure of Company.
6. Dividend payment policy.
7. Make a decision for the interest of the Company, shareholders, stakeholders; and to monitor the Management's performance and provide suggestions to solve the problems appropriately
8. Investment and operation of key projects for company and affiliates
9. Appointment of Directors who resign during the year and that of sub-committees
10. Designation of Directors authorized to sign
11. Approve the change in significant accounting policy and compliance with New accounting standards
12. Appointment of executive vice presidents upward
13. Self-assessment of personal performance and the Managing Director's performance.
14. Specification of the Managing Director's remuneration.
15. Approve the Company's salary structure, wages, compensation and benefits

According to the company's Articles of Association and the Public Limited Company Act B.E. 2535 (1992), the Board of Directors shall take action only when receiving approval from the shareholders' meeting with majority votes of the shareholders attending the meeting and having voting rights on the following matters

1. Approval of balance sheets and income statements
2. Approval of dividend payment
3. Appointment of directors replacing those who retire by rotation and approval of director remuneration
4. Appointment of auditor and approval of auditor remuneration
5. Any issue designated by law as requiring the decision of the shareholders' meeting
6. Any issue concerning the directors' gains or losses and within the precepts of The law or announcements by the Stock Exchange Bureau and Stock Market, or the Stock Exchange of Thailand by the express approval of the shareholders meeting.

The decision of the company's board of directors to take action regarding the Following issues must be performed only with the approval from the shareholders' meeting and the votes of no less than three quarters of all the votes of the shareholders attending the meeting and entitled to vote.

1. Amendment of Memorandum of Association and Articles of Association
2. Increase of registered capita / Decrease of registered capita
3. Issuance of shares and offering of debentures
4. Dissolution of business / Merger of business
5. Selling or transferring in whole or significant parts of the Company's business to others



6. Purchasing or accepting transfer of business of other companies, Whether public limited or private companies
7. Making, amending or terminating of contracts related to the lease of whole or significant parts of the Company's business
8. Assigning other persons to manage the Company's business, or
9. Merger of business with other persons with the purpose of profit and loss sharing
10. Any other actions as set forth under acts of legislation governing stocks, stock exchanges and/or announcements by the Stock Exchange of Thailand that require the approval from the meeting of the company's board of directors and the shareholders meeting by the aforementioned votes above.

#### **Chairman of the Board**

1. The chairman of the board is not an executive director and not the same person as the CEO.

Further more, the chairman of the board is not involved in any way to the management.

2. Supports, assists and leads the work performance of the management through the CEO, but does not interfere with the regular work or business under the responsibility of the management under the CEO.
3. Serves as the chairman of meetings of the company's board of directors and shareholders.
4. Serves as the person casting the deciding vote in meetings of the company's board of directors when both sides have cast equal votes.
5. Responsible as the head of the board of directors in directing, monitoring and governing the work of the executive committee and other sub-committees in order to achieve the objectives as planned.
6. To allocate sufficient time for directors to carefully and effectively discuss issues related to the management and corporate governance or propose meeting agenda items, as well as to encourage directors to independently use their discretion at the Board meeting. Top executives of the Company may be invited to provide significant information to support the Board of Directors' decision on particular issues

#### **Scope of Approval Authority of the Company's Board of Directors**

The Board of Directors of the Company has the authority to approve various Company-related matters as specified by law, Regulations of the Company, the Charter of the Board of Directors of the Company, and various resolutions of the Shareholders Meetings. As such, this includes determining and reviewing the Company's vision and mission, strategies, financial objectives, risk factors, business plans and budgets; together with statement of financial position and operating result, and approving the Company's financial statements and operating performance results, as well as approving any important transactions or activities that may have a significant impact on the financial position of the Company and ability to service its debts, the Company's overall business and reputation.





## Segregation of Duties

The Company clearly segregates the roles and responsibilities of the Board of Directors and executives as follows:

### *1. Segregation of duties for the Board of Directors and management*

*The Board of Directors* has its duty to govern the operations in compliance with the provisions of the law, the Company's objectives, articles of association, the resolutions of the shareholders' meetings, and the Corporate Governance Policy. In governing the Company, the directors must exercise their business judgment and act in what they reasonably believe to be the best interests of the Company and its shareholders

*The Management* is responsible for implementing the Company's strategy, achieving the planned objectives, and handling the day-to-day administration and affairs of the Company.

### *2. Segregation of duties for the Chairman of the Board of Directors and Chief Executive Officer*

Both the Chairman of the Board of Directors and the Chief Executive Officer must be competent and have the appropriate experience and qualifications for their positions. In order to maintain a balance between the supervisory and management functions of the Company, one person cannot hold both of these positions simultaneously.

*The Chairman of the Board of Directors* is a non-executive director who acts as the Chairman of both Board of Directors and shareholders' meeting.

*The Chief Executive Officer* is the head and leader of the Company's executives, and is accountable to the Board of Directors for managing the Company in order to achieve all its planned objectives.

## 7.3 Subcommittees

The Board of Directors elected Sub-committees (or Committees) to facilitate the Company's business, undertaking with four sub-committees as follows:

### **7.3.1. Audit Committee**

Audit Committee is appointed from the 3 out of Board of Director or shareholders and these 3 persons must be independent with the qualification that meets the Capital Market Commission regarding the scope of the Audit Committee. Here is the list of the Company's Audit Committee. In 2022, there were 4 audit committee meetings and the following details were in the consideration:

1. Consider the completeness, Accuracy and Reliability of Financial Reports
2. Consider the connected Transactions or Transactions with Potential Conflicts of Interest
3. Consider the assessing the adequacy of internal control, countering bribery and corruption, and directing internal inspections.
4. Consider the risk Management
5. Consider compliance with the Law and Specifications
6. Consider selection of Auditors and Setting of Remuneration
7. consider and review various matters To comply with the requirements and regulations

As of 31<sup>st</sup>, December 2022, the Audit Committee has three directors consisting of the following:

Name		Position
1. Mr.Sakchai	Wongchaisuriya	Chairman of the Audit Committee
2. Miss.Benjawan	Prasansap	Audit Committee
3. Mr.Prayut	Wiboonsirichai	Audit Committee

Mrs. Piraya Chanyarak is the secretary of the Audit Committee.

#### Audit Committee Scope and Responsibilities

1.To ascertain that the company has accurate financial reports with adequate disclosure by coordinating with the external auditors and the executives responsible for preparing both quarterly and annual financial reports. The Audit Committee might propose that the auditor examine or audit any transactions as deemed necessary and significant during the company's auditing period.

2.Consider checking whether or not the company has an internal control system and an internal audit unit based on the Internal Control Framework (COSO 2013). Furthermore, internal audits are appropriate and effective according to generally accepted international methods and standards by reviewing with the auditor and the internal auditor.

3.Consider independence of internal audit agencies and give approval in considerations to appoint, transfer or terminate the head of internal audit work or other agencies responsible for internal audits.

4.Review company practices in compliance with laws on securities and exchange, specifications of the Stock Exchange of Thailand and laws related to the company's business.

5.Review summaries of corruption examination results and specify preventive measures in the organization including revising internal processes of the company related to notification of clues and complaint acceptance.

6.Review self-evaluation forms related to anti-corruption measures according to examination and evaluation by the Internal Audit Department to ensure the company has various anti-corruption systems as reported on the self-evaluation form of the Thai Institute of Directors (IOD).

7.Consider, select and propose the appointment of the company's auditor, including consideration of proposed auditor remuneration by considering independence, reliability, resource sufficiency, auditing workload of the auditing office and experience of personnel assigned to audit the company.

8.Consider disclosure of information belonging to the company in cases involving connected transactions or transactions with potential for conflicts of interest to ensure accuracy, completeness and compliance with the law and specifications of the Stock Exchange of Thailand along with providing opinions regarding necessity and logic of the aforementioned transactions by considering maximum benefits of the company.

9.Perform any other actions assigned by the Board of Directors and approved by the Audit Committee.

10.Prepare reports on the activities of the Audit Committee by disclosing in the company's annual report.

11.Report on the performance of the Audit Committee to the Board of Directors at least once a year.



12. The Audit Committee is authorized to audit and investigate various issues as necessary, including the rendering of independent opinions from any other professional consultants when necessary with expenses paid by the company to ensure successful performance of work under duties and responsibilities.

13. Examine suspicious behaviors to determine crimes committed by directors, managers or persons responsible for the work of the company pursuant to Article 281/2, Paragraph Two, Article 305, Article 308, Article 309, Article 310, Article 311, Article 312 or Article 313 of the Securities and Exchange Act (4<sup>th</sup> Edition) of B.E. 2551 (2008 A.D.) detected and reported by the auditor. The Audit Committee is

required to report preliminary internal audit results to the Board of Directors, the Office of the Securities and Exchange Commission and the auditor within 30 days from the date of receiving notification from the auditor. Suspicious behaviors requiring reporting and methods to obtain facts related to the aforementioned events are to be concurrent with notifications and specifications by the Capital Market Supervisory Board.

14. In performing duties, if the Audit Committee detects or suspects the following transactions or actions with potentially significant impacts on financial status and performance of the company, the Audit Committee is to report to the Board of Directors to make corrections within the period of time deemed fitting by the Audit Committee.

- Transactions with conflicts of interest.
- Corruption, abnormalities or significant errors in the internal control system.
- Violations of laws on securities and exchange, including specifications of the stock exchange or laws related to the business of the company.

The Audit Committee is fully independent in carrying out its duties and responsibilities. Apart from reviewing the Financial Statements, the Audit Committee also reviews that all operational activities are correct and fully comply with all established policies, rules and regulations, applicable laws, and operating regulations, as well as the requirements of the regulatory agencies. The Audit Committee also reviews and ensures that there are effective internal controls and an internal audit system in place together with a comprehensive risk management system. The Audit Committee meets with the external independent Auditor to discuss their opinions and comments about the Financial Statements and internal controls system; as well as prepares a summary report of its activities together with recommendations for improvements for submitting the Board of Directors every Quarter, with details as contained in the Section "Report of the Audit Committee". The Company takes on the various recommendations received from both the Audit Committee and the external Auditors for immediate implementation and improvements, and will then report back to the Audit Committee at the next meeting.

Internal Audit Office is Miss. Sakuna Kittawong, who also acts as the Secretary of the Audit Committee, through the approval of and appointment by the Audit Committee. There is a supporting group, the Internal Audit Office, which is independent of the Management group, that is responsible for reviewing and assessing the adequacy and effectiveness of the various internal controls in place together the various risk management measures; whereby it then reports the results to the Audit Committee every month, as well as submits its reports to the Board of Directors every Quarter. As such,

### 7.3.2. Recruitment & Wage Sub-committee

To comply with the principles of good corporate governance and practices for directors of listed companies prescribed by the SET, the Board of Directors appointed the Recruitment & Wage Sub-Committee to recruit and consider remuneration for directors of the company and high ranking executives with transparency, fairness and concurrence with written policies on the Recruitment & Wage Sub-Committee charter.

The Recruitment and Remuneration Sub-Committee is required to hold two meetings per year. At least one director must have knowledge, capabilities or expertise in human resource management. In 2022, the Recruitment and Wage Sub-Committee had a total of three meetings and considered the following topics:

1. Seek and screen individuals with proper qualifications for presentation to the Board of Directors before proposing that the shareholders' meeting consider appointment in addition to allowing shareholders to nominate suitable persons to be selected as directors. However, no shareholder nominated individuals for consideration of appointment as directors. Therefore, the Recruitment and Wage Sub-Committee proposed appointing directors who resigned according to terms in 2022 to stay on as directors for another term. The shareholders' meeting passed a resolution approving new director appointments as proposed.

2. Consider increasing the number of the Nomination and Remuneration Committee from the original 3 to 5 in accordance with the principles of good corporate governance. The names are resented to the Board of Directors meeting for consideration. The meeting of the Board of Directors has approved to add Mr.Sakchai Wongchaisuriya, Independent Director and Mr.Prayuth Wibulsirichai, Independent Director, to take the position of the Nomination and Remuneration Sub-Committee.

3. The Recruitment and Wage Sub-Committee set wages for the Company's directors and Audit Directors in 2021 by using criteria to consider commensurate wages for duties, responsibilities and capabilities in concurrence with the Company's overall performance and references to the same business or industry.

4. Support is given for all members of the committee to attend training and participate in activities to increase knowledge in related work using the Company's resources.

5. Reviewed and revised AKP's policies and guidance's related to information disclosure to align them with the current laws and best practices of SEC and the Stock Exchange of Thailand (SET). This was to ensure all stakeholders that AKP is committed to the accurate and transparent disclosure of information in conformance with the applicable law and in an equitable manner.

6. Reviewed and revised are made in the charter of the Recruitment and Wage Sub-Committee in order to refine various issues according to roles and responsibilities and make improvements to performance of duties in order to achieve to greatest benefits. Hence, self-assessments are carried out on a committee level and individual level using the format specified by the Stock Exchange as review for the performance of duties over the past year and in order to support balanced thinking, work quality and decision-making effectiveness of the committee, which benefits the specification of strategies, policies and business direction of the Company.

As of 31<sup>st</sup>, December 2022, the Recruitment and Wage Sub-Committee was composed of the following three directors:

	Name	Position
1. Mr.UThai	Juntima	Recruitment & Wage Sub-committee,Chairman
2. Mr.Vanchai	Luengviriya	Recruitment & Wage Sub-committee,Director
3. Miss.Benjawan	Prasansap	Recruitment & Wage Sub-committee,Director
4. Mr.Sakchai	Wongchaisuriya	Recruitment & Wage Sub-committee,Director
5. Mr.Prayuth	Wibulsirichai*	Recruitment & Wage Sub-committee,Director

Note : 1. The Secretary of Recruitment & Wage Sub-committee is Mrs. Phiraya Chanyarak

#### Scope, authority and responsibilities as follow:

1. Consider structure, composition and qualifications of company directors.
- 2 . Select and recruit persons with appropriate knowledge and capabilities for the business of the company. Nominates directors in cases where positions become vacant to present to the Board of Directors or shareholders' meetings for consideration of appointment.
- 3 . Consider presenting director remuneration structure such as salaries, pensions, bonuses, welfare, meeting gratuities and other financial remuneration and other returns according to agreements.
4. Supporting all committee members to attend the training Or participate in activities In order to increase knowledge in relevant work
5. Evaluating the performance of the Nomination and Compensation Committee And annual report to the Board of Directors
6. Reviewing the director selection policy and remuneration policy To comply with current laws Including the best practices of the SEC and the Stock Exchange of Thailand
7. Review and update the succession plan of the top management. To ensure that the company will have successors with appropriate qualifications and leadership immediately
8. Perform any other work assigned by the Board of Directors in relation to recruitment and wage consideration.

#### 7.3.3. The Risk Management Sub-Committee

The Board of Directors Is the person who appoints the risk management subcommittee. Which will consist of directors or high-level executives from various departments In total, not less than 3 persons, with the chairman of the risk management subcommittee to be independent directors. There must be at least one director with knowledge and expertise in risk management. In 2022, the risk management sub-committee held a total of 2 meetings. In the following matters



1. The Committee considered and reviewed corporate governance and corporate social responsibility policies and steps to be consistent with the Corporate Governance Code (CG Code) of 2017 issued by the Stock Exchange of Thailand (SET) and in line with business operations and sustainable development goals

2. The Committee considered and approved performance in the area of policies, strategies and work plans in the area of the Company's corporate governance and corporate social responsibility .Ensuring compliance with regulations, applicable laws, and best practices ,business ethics and Supervising sustainable-development work. As well as providing suggestions and monitoring the progress of the operation results.

3. Promote and encourage employees to comply with good corporate governance policies and procedures and social and environmental responsibility. Business ethics And important organization practices As well as action plans for good corporate governance and social and environmental responsibility of The company defined Throughout promoting and giving importance to participation in community volunteer employee projects in order to spend their time doing activities that benefit society and benefit the organization's sustainable value.

4. Review and improve the charter of the Corporate Governance and Social Responsibility Subcommittee. To scrutinize matters By role In order to improve the performance of their duties for the best benefit, arrange for self-assessment both on a board basis and individually in accordance with the form of assessment specified by the SET To review the performance of the previous year To help create a balance of thinking Quality of work Including efficiency in decision making of the committee This is useful in formulating strategies, policies and business directions of the Company.

As of 31<sup>st</sup>, December 2022, the Risk Management Sub-Committee had was compose of the following three directors:

	Name	Position
1. Mr.Sakchai	Wongchaisuriya	Chairman of the Risk Management Sub-Committee
2. Mr.Vanchai	Luengviriya	Risk Management Sub-Committee Director
3. Mr.Prayut	Wiboonsirichai	Risk Management Sub-Committee Director

The Secretary of Risk Management Sub-Committee is Mrs. Phiraya Chanyarak

**Scope, authority and responsibilities as follow:**

1. Verify and present risk management policies and acceptable risks to the company's board of directors for consideration and approval.

2. Supervise development and practice according to the risk management framework for the entire organization.

3. Examination of reports on risk management follow-up on major risks and actions taken to ensure that the organization has sufficient and appropriate risk management.

4. Presentation of overall company risks including the sufficiency of internal control systems for management of major risks in various areas for the company's board of directors.



5. Provision of suggestions to the company regarding risk management and consideration of revisions for information about the development of the risk management system.
6. With authority to appoint a committee for evaluation and follow-up on company risks.
7. Other issues assigned by company's board of directors regarding risk management.

#### 7.3.4. Corporate Governance and Sustainability Subcommittee (CG&CGR)

Corporate Governance and Sustainability Subcommittee to oversee operations Good Corporate Governance business ethics Sustainability Management and operations on social, community and environmental care. More than half of the members are independent directors. and Chairman of the Corporate Governance and Sustainability Subcommittee being an independent director with 4 directors

In 2022, the Corporate Governance and Sustainability Subcommittee A total of 2 meetings were held by considering in various matters as follows:

1. The Committee considered and reviewed corporate governance and corporate social responsibility policies and steps to be consistent with the Corporate Governance Code (CG Code) of 2017 issued by the Stock Exchange of Thailand (SET) and in line with business operations and sustainable development goals
2. Consider and approve the Company's corporate governance and sustainability plan, with a focus on supervising compliance with laws and best practices. as well as giving suggestions and monitoring the progress of the performance. Promote and encourage employees to comply with good corporate governance policies
3. Encourage and encourage employees to comply with corporate governance and sustainability policies and procedures. business ethics and key corporate practices Including the action plan for corporate governance and sustainability of the Company as well as promoting and giving importance to In 2021 the company has not received any complaints about wrongdoing, infringement or improper behavior in bribery and corruption. Participate in the Employee Volunteer Community Development Project in order to spend their time working on activities that are beneficial to society and beneficial to creating sustainable value for the organization.
4. Review and improve the charter of the Corporate Governance and Sustainability Subcommittee. to scrutinize matters according to their roles and responsibilities In order to improve the performance of duties for the utmost benefit, self-assessment is organized both as a group and as an individual according to the assessment format provided by the Stock Exchange of Thailand. set to review the performance of the past year to help strengthen the balance of thought quality of work including efficiency in decision making of the Board of Directors This is useful in determining the strategy, policy and business direction of the Company.

In 2022, the Company has not received any complaints about misconduct or inappropriate behavior. on bribery and corruption or acts that violate the law business ethics good corporate governance principles and regulations of the company in any way

The Corporate Governance and Sustainability Subcommittee (CG&CGR) as of December 31, 2022 consists of 4 members:

First-Last Name		Position
Mr.Prayut	Wiboonsirichai	Chairman of the Corporate Governance Subcommittee and sustainability
Mr.Sakchai	Wongchaisuriya	Corporate Governance Subcommittee and sustainability
Miss.Benjawan	Prasansap	Corporate Governance Subcommittee and sustainability
Mr.Vanchai	Luengviriya	Corporate Governance Subcommittee and sustainability

The Committee's scope, authority, duties and responsibilities are as follows:

1. To consider approval of policies, strategies, goals, practice guidelines, good corporate governance plans and corporate social responsibility together with making presentations for the Board of Directors' consideration.
2. To promote participation by the Board of Directors, executives and operators in the Company's good governance and corporate social responsibility.
3. To govern and oversee practices to be consistent with the Company's polies and/or regulations on good corporate governance and corporate social responsibility.
4. To monitor and make regular performance reports to the Board of Directors every time after good corporate governance and corporate social responsibility meetings.
5. To regularly review and propose adjustments to good corporate governance and corporate social responsibility policies and practice guidelines of the Company in addition to making recommendations to the Board of Directors for consideration of adjustment to be continually up-to-date.
6. To perform any other duties related to good corporate governance and corporate social responsibility as assigned by the Board of Directors.
7. To disclose information regarding the Company's good corporate governance and corporate social responsibility to stakeholders and the public.

### 7.3.5 Executive Committee

As of 31<sup>st</sup>,December 2022 the Executive Committee had three members consisting of the following:

Name		Position
1. Mr.Vanchai	Luengviriya	Chairman of Executive Committee
2. Mr.Teerasak	Pongpanakrai	Executive Committee
3. Mr.Rerngchai	Rurngpayoongsak	Executive Committee





**Scope, authority and responsibilities as follow:**

1. Prepare and present business policies, goals, operational plans, business strategies and the company's annual budget for the approval of the company's board of directors.
2. Oversee the company's business operations to ensure compliance with business policies, goals, operational plans, business strategies and the company's annual budget as approved by the company's board of directors.
3. Establish organizational structure and jurisdiction covering details for the recruitment, hiring, establishment of wages and benefits, transfers, and termination of company employees.
4. May appoint or authorize one or many individuals to perform any act on behalf of the Executive Board of Directors as deemed appropriate and terminate, change or amend the aforementioned authorization.
5. Maintain the authority to consider the approval of expenditures for the company's normal operations such as the purchase of assets and significant investments in the interest of the company.
6. Consider screening and monitoring various projects and investment opportunities for concurrence with company strategy before making presentations with opinions to the Board of Directors for consideration of further approval.
7. Consider and monitor human resource development plans, information technology systems and management processes to support long-term corporate structure and human resource maintenance plans in line with strategies by considering the company's sustainability.
8. Perform any other function as designated by the company's board of directors.

Thus, the approval of the executive board of directors shall not include the approval of items wherein the executive board of directors or other individuals with any potential disputes, stakeholders or conflict of interest with the company and/or the company's subsidiaries or the authorization of any other individual to act as proxy in the aforementioned case including items designated as requiring approval from the shareholders in performing associated and acquired or sold items which are significant assets belonging to the company or the company's subsidiaries in order to correspond with the specifications of the Stock Exchange of Thailand, the board of directors over stocks and stock exchanges or laws associated with the company's business.



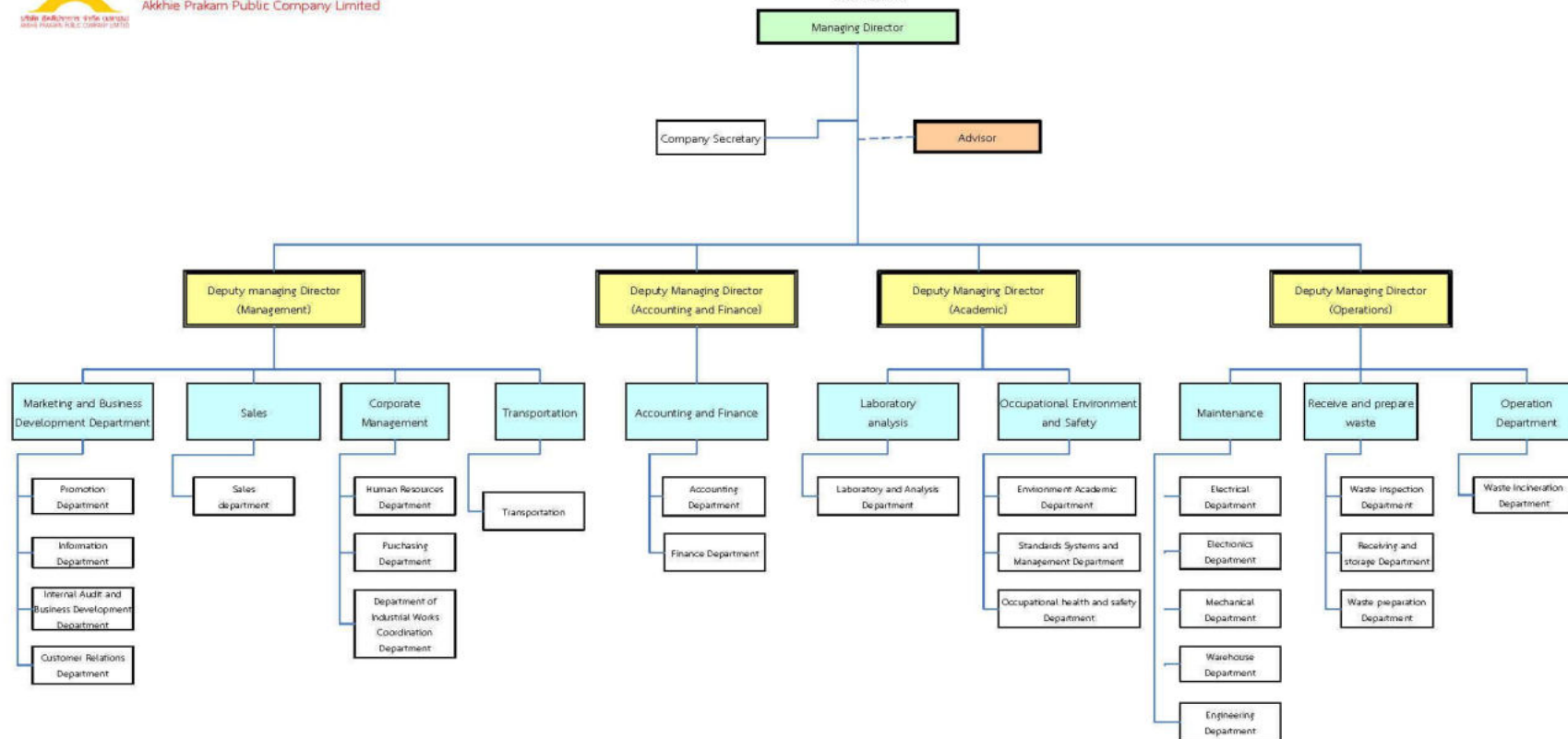
## 7.4 Management



บริษัท อัครีปราการ จำกัด (มหาชน)  
Akkhie Prakarn Public Company Limited

### Management Structure

#### Chart



Rev.1, date 17/03/22



### 7.4.1. Management

As of 31<sup>st</sup>, December 2022, the company had the following five executives:

Name		Position
1. Mr.Vanchai	Luengviriya	Managing Director
2. Mr.Rerngchai	Rurngpayoongsak	Vice-Managing Director of Administration Department
3. Mr.Phol	Sagethong	Vice-Managing Director of Operation Department
4. Mrs.Wannarat	Khumngern	Vice-Managing Director of Accounting and Finance Department
5. Miss.Wanida	Worapithayaroek	Acting Vice-Managing Director of Academic Department

#### Scope, authority and responsibilities as follow:

Managing Director is responsible for managing and controlling the Company. to be in accordance with the initial objectives of the Company The managing director must perform duties and be responsible for the operations of the company. either by themselves or assigning other executives to the next level to act on their behalf Duties and responsibilities of the Managing Director are as follows.

1 . Supervision and provision of various recommendations for the operational procedures and daily management of the company.

2 . Perform or practice duties to ensure compliance with operational procedures, planning policy and budgets according as approved by the company's board of directors.

3 . Authorized to perform any business procedures to ensure compliance with the objectives, policies, regulations, agreements, orders and decisions of the meeting of the company's board of directors and/or the decision of the meeting of the company's shareholders.

4 . Holds authority to order, regulate, announce and record to ensure that work performance complies with the policies and benefits of the company and in order to maintain working discipline within the organization.

5 . Perform daily follow-up and evaluation of the outcomes of the company's operational procedures to remain prepared and prevent potential risks due to both external and internal factors..

6 . Holds the authority to approve legal actions regarding the company's ordinary business transactions such as trading, procurement of raw materials for production, expenses in performing ordinary business transactions, investments, provision or sales of equipment, property and services in the company's interests including the authorization in the aforementioned procedures for exhibity in the company's operational procedures.

7 . Holds the authority to act and appear as the representative of the company to third parties as necessarily involved the business and for the performance of ordinary business transactions in the interests of the company.



8. Operate the company's businesses in line with the principles of good governance prescribed by the Board of Directors as practice guidelines.

9. Executives must not operate the same business or participate in the same business in competition with the company whether for personal gain or the gain of others, unless executives have notified supervisors and received approval to operate in the aforementioned business.

10. In holding positions as directors in other companies or any other positions in the business organization, the Managing Director requires approval from the Board of Directors while executives from the level of administrators and upward require approval from the Managing Director, unless positions as representative directors in joint ventures require approval from the Board of Directors.

11. High-ranking executives include persons in the first executive level positions following the Managing Director, persons with positions equal to every holder of the first four executive level positions, including persons holding executive positions in the fields of accounting or finance at the departmental manager level and up are forbidden from purchase/sale of securities at least one month before reporting financial statement news and after at least three days following notification of financial statement news. Furthermore, high-ranking executives are required to report securities holding by high-ranking executives, spouses and children who have not reached adult maturity in the company and affiliated companies in the group. High-ranking executives are also required to notify the company without delay in cases where high-ranking executives are direct or indirect stakeholders in any contracts made by the company during the annual accounting cycle and hold shares or loan shares in the company and affiliated companies.

12. Occasional performance of any other duties as assigned by the company's board of directors.

With authority to perform any legal procedures with potential conflicts of interest between the Managing Director or stakeholders in the company or the company's subsidiaries as specified by law and the announcement of the Board of Directors over Stocks and the Stock Exchange or over the Stock Exchange of Thailand, which shall not be considered under the authority of the Managing Director in considering the right to vote in the aforementioned legal procedure regardless of whether the issue is left to the Managing Director's own discretion, or assignment for other individuals to act on his/her behalf. In the aforementioned case, that legal procedure must be presented for approval of the Audit Committee for presentation to the company's board of directors and/or the meeting of shareholders (depending upon the case) as specified in the company regulations and according to the law.

## **Chief Executive Officer and President (CEO/President) Roles and Responsibilities**

Assigned by the Board of Directors to conduct the Company business under the approved plans and budgets with rigor and integrity, while protecting the best interests of the Company and its shareholders, the CEO/President must not be engaged in any conflicts of interest and Subsidiaries. His roles and responsibilities consist of the following:

1. Manages the Company business and activities under the approved plans and budgets, as well as business strategies.



2. Fine-tune the Company's positive culture in support of its vision, mission, and strategic mperatives.
3. Prepares and presents the significant company business performance and activity reports as well as other reports required by the Board of Directors.
4. Prepares and provides to the Board of Directors information relevant to the Company business and activities, as well as other information needed.
5. Delegates authority and/or assigns others to act on his or her behalf, under the rules, terms, principles, and orders given by the Board of Directors and/or the Company.
6. Represents the Company in external contacts.
7. Executes all other tasks assigned by the Board of Directors

#### 7.4.2 Changes in the Securities Portfolios of the Executive of the Year 2022

The Company has notified all members of the Executives on their duties to file their securities holding, including those of their spouses and underage children, to SEC Office within 30 days as from date of appointment as director or executive. In case of change in securities holding, they are required to file the change with SEC Office within 3 business days as from the date of purchase, sale, transfer or acceptance of transfer of such securities. (Reported electronically. [www.sec.or.th](http://www.sec.or.th))

In addition, the Company has stipulated that directors and executives of the company report securities holding and changes in securities holding to the next Board of Directors meeting at all times, as of 31<sup>st</sup>, December 2022. executives of the company are as follows

Name	Ordinary Share		Up (Down)
	Year-end 2021	Year-end 2022	
1.Mr.Vanchai Luengviriya their spouses and minor children	- -	- -	- -
2.Mr.Rerngchai Rungpayoongsak* their spouses and minor children	- -	- -	- -
3.Mr.Phol Sagethong their spouses and minor children	- -	- -	- -
4.Mrs.Wannarat Khumngern their spouses and minor children	2,000 -	2,000 -	- -
5.Miss.Wanida Worapithayaroek their spouses and minor children	- -	- -	- -

### 7.4.3 Performance Evaluation of the Managing Director

The company's non-executive directors are under obligation to evaluate the performance of the Managing Director on an annual basis. In each year, the Board of Directors will evaluate the performance of the Managing Director during the past year. The Managing Director is required to present performance in various areas such as business management guidelines, corporate development and explain effects of current management in terms of success and obstacles, including capacity for opportunity expansion and business competition, social and environmental policy and response to government policies in various areas, etc.

### 7.4.3. Director and Executive Remuneration

The company has policy to pay proper remuneration to directors and executives by considering the company's performance and as concurrent with businesses in the same industry and as commensurate with the duties and responsibilities of directors. Furthermore, the company exercises caution in paying remuneration to company executives at appropriate levels for each executive. The company uses competition rates in the same business group to care for and preserve quality executives. Executives assigned more duties and responsibilities will receive additional remuneration as commensurate with their increased duties and responsibilities. The company arranges remuneration for directors with clarity and transparency. In addition, remuneration for directors receives consideration by the Recruitment and Wage Sub-Committee prior to presentation to the shareholders' meeting for approval. Remuneration paid to directors and executives is disclosed in the forms specified by the Securities and Exchange Commission.

### 7.4.4. Remuneration for directors and executives

The company has a policy to pay remuneration to directors and executives at an appropriate level. taking into account the performance of the company and consistent with the same industry Including the suitability of the duties and responsibilities of the directors. and individual executives. The Company exercises caution in paying remuneration to the Company's executives. to the appropriate level And is a competitive rate in the same business group in order to take care and retain quality executives. Executives who are assigned more duties and responsibilities will receive additional compensation that is more appropriate for their assigned duties and responsibilities. The company Arrange for remuneration for directors clearly and transparently. and has been reviewed by the Nomination and Remuneration Sub-Committee before submitting for approval from shareholder meeting The remuneration paid to directors and executives must be disclosed in accordance with the form prescribed by the Office of the Securities and Exchange Commission.

#### Remuneration Policy for the Board of Directors / Managing Director / Executives

##### **Director Remuneration Policy**

In setting director remuneration, the company will consider suitability in relation to duties, assigned responsibilities and comparison with listed companies on the Stock Exchange of Thailand in similar industries and



business sizes. The aforementioned remuneration for directors is adequate to motivate directors to have quality and ability to successfully perform duties according to business goals and directions specified by the company with transparent processes to build confidence among shareholders.

#### Remuneration of Managing Director (CEO)

The remuneration of the Managing Director (CEO) will be determined each year according to the principles and the policies that the Nomination Committee and Remuneration Committee designated. For the best interest of the Company, the level of short term remuneration in the forms of salary, bonuses and long term incentives must be conformed to the financial performance and the long term operational strategies, Executives development, and also considering the business expansion and the growth profit of the Company

#### Remuneration of Executives:

Remuneration of the Executives are determined annually by the Managing Director, in accordance with the policy of the Nomination and Remuneration Committee.

#### 1. Executive Compensation

Executive Remuneration includes the total remuneration for the Executive Committee, including the Managing Director and Deputy Managing Director in for the year a total of **16,162,146** baht as described below

Description	2020 Amount (baht)	2022 Amount (baht)
Salary	14,235,120	14,445,120
Bonus	1,546,901	1,241,442
Retirement Fund	466,957	475,584
<b>Total</b>	<b>16,248,978</b>	<b>16,162,146</b>

## 7.5 In Information about employees

### personnel

The Company places importance on employees as valuable resources of the organization and a major factor pushing the Company's operations to succeed according to objectives. The Company is firmly committed to developing, improving and retaining employees in order to jointly create results and sustainable prosperity for the Company through specification of the following policies concerning employees.

#### Resource Management Policy

1. Recruit and select employees with educational qualifications, knowledge and capabilities to work with the Company as necessary and fitting for each agency by selecting personal qualifications to be consistent with the organization's core value.

2. The Company works in the area of safety, occupational health and work environment in compliance with the law, rules and other specifications related to the Company's business operations. Furthermore, the Company also supports the personnel's work to prevent exposure dangers to life, bodies, minds, health and hygiene. The Company arranges for safety officers to work in the area of occupational safety and work environment along with having effective regulations and plans. The Company collects statistics with continual assessments and performance monitoring to prevent and control risks with potential loss from accidents, injuries or illness from improper work and other potential errors. The Company has effective, adequate and appropriate security systems in offices and operation facilities; it also disseminates and communicates to build adequate and effective knowledge, understanding and disseminate information to the Company's personnel including stakeholders involved in the Company's operations. In 2021, the Company received no reports of work-related accidents among employees causing work to stop or causing death.

3. The Company has guidelines for managing wages, salaries and welfare fairly and equal to leading companies. The Company specified wage and remuneration structures at appropriate levels enabling competition in the industry along with providing welfare employee by considering cultural, ethnic, language and geographical diversity in order to lead to consideration in preparing appropriate and fair remuneration and welfare systems without supporting corruption in every form.

4. The Company has policies to respect the law and human rights. In the aforementioned policies, employees are required to thoroughly understand the laws related to personal duties and responsibilities with strict adherence. Moreover, the Company also supports and respects the protection of human rights in addition to preventing the Company's business from becoming involved in human rights violations. For example, the Company does not support the use of forced labor, child labor and the Company shows employees respect. In addition, the Company treats every stakeholder party with fairness based on human dignity without discrimination of origins, ethnicity, gender, age, skin color, religious, physical conditions, status and family. Furthermore, the Company supports monitoring of compliance with human rights specifications in the Company and the Company supports all investors, trading partners and stakeholders in complying with international human rights principles in addition to protecting the rights of stakeholders damaged by violations caused by the Company's business operations.

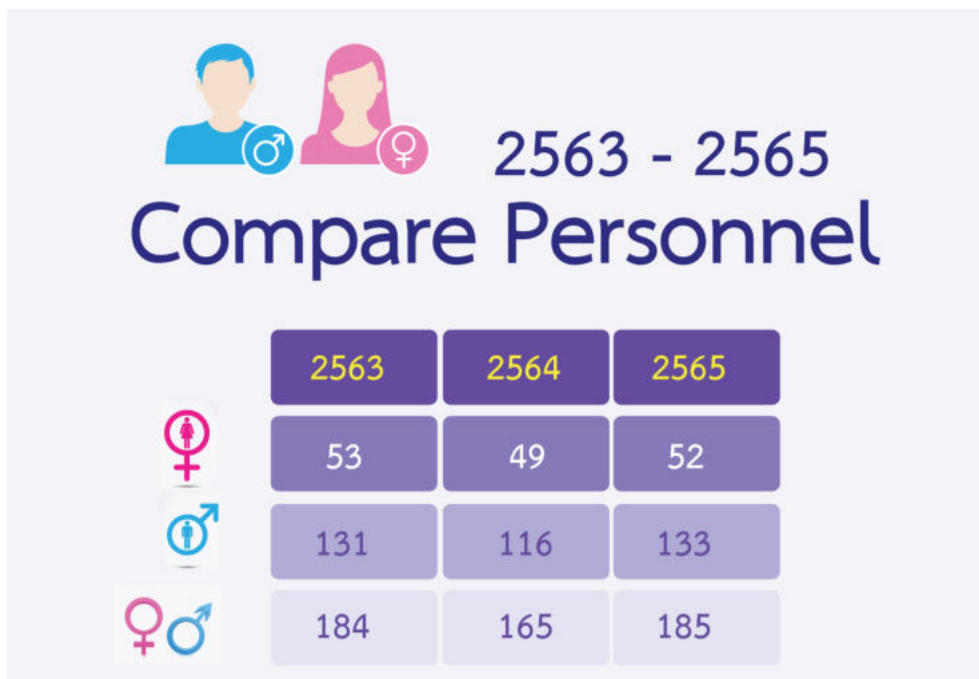
As of 31<sup>st</sup>, December 2022, the company has a total of employees 185 person (excluding executives) Consists of employees as follows:

Development	Number of employees (preson)
1. Operations Department	35
2. Maintenance Department	24
3. Waste Inspection and Preparation Department	17
4. Department of Environment, Occupational Health and Safety	9
5. Analytical Laboratory Department	6
6. Sales department	9



7. Transportation department	9
8. Corporate Management Department	53
9. Accounting and Finance Department	7
10. Management	5
11. Marketing and Business Development Department	12
12. Office of the Executive Committee	1
<b>Total</b>	<b>185</b>

There has been no significant change in the number of employees in the past 3 years.



## Fair remuneration and welfare

The company has arranged to take care of employees equally. The remuneration and welfare are appropriate and fair. The first salary is based on educational qualifications, and job title. After that, it follows a performance appraisal system, with the form and evaluation criteria clearly and openly. Employees will receive Remuneration is salary, bonus, overtime pay, holiday pay, and allowance for the welfare of the company. Treat all employees equally, and is the same standard can be compared. And cause fairness for the whole organization, such as welfare assistance in the event of a disaster. Welfare related to accident insurance. Welfare About the annual health check. Welfare allowance in the event of death. Welfare allowance in childbirth, borrowing money as needed. Welfare, car service, pick-up and delivery of employees, work uniforms and contributions to the provident fund. To create stability and financial collateral for employees after termination of employment or retirement. Employees who are members will pay contributions to the fund at the rate of 2, 3, 4 and 5 percent of the Salary and the company will pay contributions at the same rate as the employee's contribution rate. This is in accordance with the terms of the working period. The provident fund is managed by

TISCO Asset Management Company. and will be paid to employees in case of resignation according to fund regulations At present, 80% of employees apply for the provident fund contribution program.

The company is aware of the severity of social change that is occurring rapidly. higher cost of living This may affect the financial liquidity of employees at certain times. To promote and plan personal financial management for executives, supervisors and AKP employees to be effective. and create a balance of financial discipline within the organization and to prevent and solve the problem of borrowing money outside the system to support the problem As mentioned above, the company has established “Akhkhie Prakan Savings Cooperative Limited” which was registered on July 31, 2014 with the objective of To promote the economic and social benefits of members through self-help methods. and help each other according to cooperative principles by providing financial services to members encourage members to save and providing capital and credit services for careers and livelihood Loans are divided into two types: emergency loans and loans. Ordinary There are currently 88 members, with a total capital of 6,824,480 baht, and on May 25, 2022, the 2021 Annual General Meeting of Akkhie Prakan Savings Cooperative Public Company Limited was held at the Company's main meeting room.



Table showing personnel compensation (salaries and bonuses) paid in 2020-2022 (excluding executives)

Description	2020	2021	2022
Total Salary	51,874,784	49,709,818	51,000,221
Total Bonus	-	4,880,257	4,159,998
Provident Fund Contributions	1,207,990	1,111,227	1,156,825
Other welfare values.	8,128,299	8,947,496	10,610,809
<b>Total</b>	<b>61,211,073</b>	<b>64,648,798</b>	<b>66,929,853</b>

### Employee Development

The company supports the development of knowledge and competency of personnel. There is a systematic development throughout the organization continuously. Prepare a knowledge and competency development plan that is in line with Operations and business strategy of the organization including the nature of

their work and revising and updating to always be up-to-date. The development covers the ability to work in various aspects, including management. Leadership Knowledge and techniques specific to each line of work. In addition, the Company provides continuous career development paths and advancements that facilitate succession planning, and the development of a group of high potential employees in order to continue in accordance with the mission and commitment of the company towards Stakeholders from all sectors of society and maintain the management culture according to good governance to ensure that Company personnel realize the importance and have an understanding of the Anti-Corruption Policy. The company therefore included anti-corruption topics in the new employee training content. And arrange for all employees of the company to receive training and take annual tests, to review knowledge and understanding of such policies regularly.

The company is committed to creating an environment and work process to lead to a learning organization, by encouraging employees to dare Present new ideas, do new things, in the right way and at the right time. It also encourages learning about “how to learn to know” so that you can continue to think on your own, diligently in seeking and instructing the brain in various forms such as self-learning. Learning through collaborative project work using learning technology, etc. The company places importance on training and development of employees. In order to raise the level of knowledge and competency of employees in 2022, the company has established appropriate development plans for employees at each level covering both management skills, and specific professional knowledge by organizing training from employees or executives within the company with expertise and from external experts. The total number of training hours is 658 hours/year, consisting of 7 internal courses and 25 external courses.



## 7.6 Other significant information

### 7.6.1 Company Secretary

In order to comply with the Securities and Exchange Acts of Article 89/15 and 89/16, the Board of Directors Meeting No. 3/2021 has approved the appointment of Miss.Sakuntala Tatichala as the company secretary. Since August 13<sup>th</sup>, 2021 with the following history

**Miss.Sakuntala Taitchala**

- Age 39 Years
- Educated / Training
  - Bachelor's degree in Business Administration, Kasem Bundit University
  - Company Secretary Program (CSP120/2021)

- Internal Audit for ISO 9001:2015, ISO 14001:2015 and ISO 45001:2015
- Company snapshot program training
- Training on social responsibility management for sustainable development.
- Role of company secretary, CG upgrade in Anti-Corruption
- Training safety officers in the work. supervisor level
- **Experience**
  - Secretary of the Company's Managing Director and Head of Public Relations Department Akkhie Prakan Public Company Limited
- **Shareholding in the Company** : 0.00022% (In name of himself 900 Shares)
- **Familial relationship between directors and executives** : -None-
- **Criminal records on violation of securities and futures contract laws** : -None-

**The scope, authority, duties and responsibilities as follows:**

The Company Secretary executes its duties and responsibilities pursuant to Article 89/15 and Article 89/16 of the Securities and Exchange Act (4<sup>th</sup> Edition) B.E. 2551 (A.D. 2008) with responsibility, caution and honesty. In addition, the Company Secretary must comply with laws, objectives, company regulations, Board of Directors resolutions and shareholder meeting resolutions. The Company Secretary's duties under the law are as follows:

1. Provide advice and recommendations to the Board of Directors in ensuring that its duties and responsibilities are in compliance with laws and regulations of the companies listed on Stock Exchange of Thailand, the Securities and Exchange Commission and relevant regulators.
2. Schedule Board meetings and shareholders' meetings under the law and company regulations. Coordinate conformance to the resolutions of Board and shareholders' meetings
3. Prepare and keep the shareholders' letters of invitation, supporting documents, And minutes of meetings with complete information within the timeframe of the law.
4. Prepare and compile personnel records of directors.
5. Maintain conflict of interest reports submitted by directors and executives.
6. Supervise and be responsible for the preparation and maintenance of annual statements (Form 56-1 one report) and annual reports (Form 56-2).
7. Coordinate and collect information from the management covering finance, budget, risk management, internal control, internal audit and report to the Board of Directors regularly.
8. Disclosure of information and information reports as relevant to the responsibilities of to directing work units and according to the regulations and specifications of government agencies.
9. Support the directors in proceeding in line with good corporate governance practices of listed companies according to Good Corporate Governance Guidelines. This includes director training courses, annual self-assessment of the Board of Directors and reporting assessments to the Board of Directors to acknowledge and consider for further implementation of the operating development plan.



10. Contact and communicate with shareholders in general to inform them of shareholders' rights in addition to company news and information.

11. Carry out other missions as assigned by the Board of Directors.

The Board of Directors has the responsibility in supervision and review in order to improve the appropriate practices in accordance with the changeable environmental situation, to create assurance to the efficient, transparent, and measurable management system, and to respond the sustainable benefits to all shareholders and stakeholders.

In 2022, the Company was assessed the quality of Annual General Meeting (AGM) of shareholders by Thai Investors Association in the level of "Very good". In addition, the assessment result of good registered corporate governance report is in the level of "Excellent". However,

### **7.6.2 details about the chief of internal audit**

The company has established an Internal Audit Department to audit the primary operations and significant financial activities of the company to assure performance in the specified direction that is effective and in compliance with the laws and specifications related to the company's internal control systems. The audit department examines significant items continually with reports on the findings sent directly to the audit committee. The internal audit is able to fully inspect and maintain a balance. In this regard, the Company has assigned Miss. Sakuna Kittawong to be responsible for internal control and audit systems. With details about the chief of internal audit as follows

Name - Surname Mrs. Phiraya Chanyarak

Position Head of Internal Audit Department

39 years old

#### **Education/Training Qualifications**

- Bachelor's Degree, Faculty of Business Administration, Accounting, Rattanakabandit University
- Diploma of Internal Audit Executive

(CAE Chief Audit Executive Professional Leadership Program) CAE Class 2

- Passed internal audit training, Internal Auditing Certificate Program (IACP), Class 10
- Audit program writing course
- Passed the Fraud Risk Management course
- Passed the training course Effective Supervisory Skill
- Passed the training course on standard system knowledge.

ISO 9001:2015, ISO 14001:2015 and ISO 45001:2015

#### **Work experience in internal audit**

- 2022 - Present Head of Internal Audit Department Akkhie Prakarn Public Company Limited
- 2021 – 2022 Internal Auditor, AQ Estate Public Company Limited
- 2016 - 2020 Internal Auditor, Centara Grand Audit Company Limited
- 2015 – 2016 Internal Audit Chief, ACS Servicing (Thailand) Co., Ltd.
- 2012 - 2015 Internal Audit Supervisor Akkhie Prakarn Public Company Limited



Shareholding in the Company : -None - -

Family relationship between directors and executives : -None - -

History of violating securities laws and futures contracts : -None - -

***Duties and Responsibilities of the Head of Internal Audit***

1. Prepare a risk-based plan for submission to the managing director and the audit committee for approval.

2. Coordinate with various departments Related In order to achieve the internal audit work in accordance with the approved and effective internal audit plan.

3. Audit and review of operations to ensure that they are correct and in accordance with the guidelines. Authority Regulations, laws and regulations, including the implementation of business ethics And various policies such as anti-corruption and corruption policies

4. Follow up on examination results, make recommendations and give advice

5. Prepare an internal audit report Including suggestions Methods and measures for improvement In order to communicate with the management and the audit committee

6. Perform other tasks related to internal auditing As assigned by the audit committee, in addition to the approved audit plan

**7.6.3 Name of Head of Investor Relation and contact details**

If shareholders need additional information You can contact us for information at Corporate Communications Department Tel. 02-323-0714,02-323-0716 and 02-323-0718 ext.104 or [www.akkhie.com](http://www.akkhie.com).

**7.6.4 Appointment and Consideration of Auditor Remuneration**

The Audit Committee considers and proposes the appointment of auditors and audit fees to the Board of Directors. To consider and propose to the shareholders on the agenda for the appointment of the auditors In addition, if there is a case where it is deemed appropriate to terminate the employment of the auditor. The audit committee will then consider and propose to the board.

In the Annual General Meeting of Shareholders on April 27<sup>th</sup>,2021, the shareholders considered and resolved to approve the appointment of an auditor from Karin Audit Company Limited to be the Company's auditor for the year 2021 as follows:

1. Ms.Kannika	Wipanurat,	Certified Public Accountant No.7305 and / or
2. Mr.Jirote	Sirirorote,	Certified Public Accountant No.5113 and / or
3. Ms.Nonglak	Pattanabunditn,	Certified Public Accountant No.4713 and / or
4. Ms.Sumana	Senivongse Na Ayudhaya,	Certified Public Accountant No.5897 and / or
5. Mr. Komin	Lingprachaya,	Certified Public Accountant No.3675 and / or
6. Mr. Vorapol	Wiriyaikulpong	Certified Public Accountant No. 11181 and / or
7. Mr. Pote	Asawasantichai	Certified Public Accountant No. 4891 and / or
8. Mr. Wichian	Prungpanich	Certified Public Accountant No. 5851 and / or



9. Ms. Kochamon Shunhuan

Certified Public Accountant No. 11536 and / or

10. Mr. Kraisaeng Teeranuluk

Certified Public Accountant No. 5428

The company had the auditor from Karin Audit Company Limited to be the Company's auditor. Knowledgeable Professional expertise Be independent And it has been approved by the SEC. The financial statements of the company. Certified unconditionally And correct as it should in essence According to generally accepted accounting principles And approved by the Audit Committee / Board of Directors before disclosure to shareholders in the year 2021 The audit fee of Karin Audit Company Limited is as follows:

**1. Audit fee**

The company paid the audit fee to Karin Audit Company Limited in the past year. In the amount of 610,000 baht (six hundred and ten thousand baht only)

**2. Other service fees**

The company does not pay any compensation for other services. For the auditors  
Karin Audit Company Limited.

However, the auditors according to the list of names proposed have fully qualified and no relationship with or any vested interest in the Company, its subsidiaries, executives, major shareholders, or any related persons and therefore. are independent in the audit and provision of opinion on the Company's financial statements. In addition, none of above auditors have acts as the auditor of the Company for more than 7 consecutive fiscal years



## 8. Significant Operating Results in respect of Corporate Governance

### 8.1 Summary of Director Performance in 2022

AKP conducts its business under serious corporate governance. Of the Board of Directors It is committed to conducting business with fairness and responsibility to all stakeholders. In 2022, the Board of Directors plays a pivotal role in formulating policies and strategies that lead to increasing competitiveness. Building corporate culture and values Including improving the efficiency of supervision, the sufficiency of the internal control system And corporate risk management In addition, there is an adaptation of the work under the impact of COVID-19 as well, and has the following important corporate governance work:

- To review the Company's vision, mission and strategy to be in line with the changing circumstances and the Company's business operations. To cope with the situation of the coronavirus outbreak
- Review of the application of good corporate governance principles for listed companies in 2017 (CG Code) of the SEC to create sustainable value for the company. The CG Code has been considered to ensure that such performance and development plans are appropriate for the Company's business and for matters that the Company does not apply to the business context. There has also been an appropriate replacement measure.
- Review the anti-corruption policy And whistleblowing policy and corruption In accordance with the self-assessment form (revised version 4.0) in order to prepare for the renewal certification with CAC.
- Review of the Charter of the Board of Directors and Sub-committees To define the scope of duty. In line with the good corporate governance principles for listed companies in 2017 (CG Code) and current business operations that have changed. So that the company has more competitiveness
- Perform duties within the scope of other duties as defined

#### 8.1.1 Recruitment, Development and Performance Assessment of Directors Recruitment

##### 1. Director Recruitment

The company has a Recruitment and Wage Sub-committee to perform duties in the area of Recruitment and Wage consideration for specific company directors by considering the basic qualifications of the directors according to the criteria specified by associated laws including consideration of factors in other areas such as knowledge, capability, business-related experience and in the business interests of the company, etc, for proposal to the company's board of directors or the meeting of shareholders in order to consider the appointment (depending upon the case) with the following criteria and procedures:

1. The company directors must perform their duties in compliance with the law, objectives and regulations of the company as well as the decisions of the meeting of shareholders.
2. The company's board of directors shall consist of at least five directors wherein no less than half of all of the directors must reside in Thailand and the directors must possess qualifications as specified by related laws.
3. One-third of the directors shall resign from their positions at every annual common meeting of the company. If the number of the resigning directors cannot be divided into three parts, the directors shall resign by





the number closest to one-third, but no more than one-third of the number of all directors. The directors to be released from office during the first and second year after the registration of the company are to draw lots to determine who will be released in subsequent years. The director in office longest will leave that office and the directors already released from office may be reelected.

4. The Recruitment and Wage Sub-committee shall select and recruit individuals with knowledge and capabilities as suitable for the company's business including consideration of wages for the directors for proposal to the meeting of shareholders for consideration of approval.

5. The meeting of shareholders shall appoint directors by means of a majority vote according to the following criteria:

5.1 Each shareholder shall have voting power equal to one vote per share.

5.2 Each shareholder must use all of the remaining votes to elect one or several individuals to be a director(s).

5.3 The individual receiving the highest respective amount of votes will be elected as director according to the appropriate number of directors or the number of directors that should be elected at that time. In the event that the individuals elected in the next rank equal numbers of votes but exceed the number of director seats up for election at that time, the Chairman of the meeting shall cast the deciding vote.

6. In the event that a director's seat available due to causes other than release due to expiration of the director's term, the Recruitment & Wage Sub-committee shall choose qualified individuals without forbidden characteristics as specified to replace the director in the next meeting of the board of directors, unless the remainder of the director's term is less than two months and with the votes of no less than three quarters of the remaining directors wherein the individual to replace said director shall remain in office for the length of the term of the director being replaced. The decision of the board of directors must be the result of no less than three-quarters of the remaining directors.

7. The shareholders meeting may decide upon the release of any director from office before the expiration of his/her term by a vote of no less than three quarters of the number of shareholders present at the meeting with the right to vote and a total number of shares less than half of the number of shares held by the shareholders in attendance at the meeting with the right to vote.

## **2. Recruitment of the Audit Committee/ Independent Director**

The Auditing Committee is comprised of independent directors serving three - year terms in office. The Sub-committee on Recruitment and Wage Consideration has policy for recruiting auditing/independent directors in agreement with Capital Market Supervisory Board Announcement No. Thor.Jor. 4/2552 on the subject of requesting permission and permitting proposals to distribute issued shares. Directors must have the following qualifications:

1. Directors must hold no less than 1% of the total shares with voting rights for the company, main company, subsidiaries, corporations, major shareholders or individuals with authority to control the company. Shares held by individuals associated with that independent director shall also be included.



2. Directors must be persons who are not or have not been directors who participated in the management of hired labor, employees or paid advisors, unless the foregoing status has ceased for not less than two years prior to the date of appointment.

3. Directors must not be persons with relationships by blood or legal registration in as a father, mother, spouse, sibling or child, including spouses of children of executives, shareholders, persons with authority to control or individuals who will be proposed as executives or individuals with authority to control the company or subsidiaries.

4. Neither having nor used to have a business relationship (as Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares). with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment. The business relationship shall be covered in regards to TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares.

5. Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

7. Not being a director appointed as representative of directors of the Company, major shareholders or shareholders who are related to major shareholders.

8. Directors must not have or have had a business relationship with the company, main company, subsidiaries, corporations, major shareholders or individuals with authority to control the company in any way that might hinder their independent discretion.

9. Directors must not possess other characteristics disabling them from providing independent comments regarding company performance.

10. Not being a director appointed as representative of directors of the Company, major shareholders or shareholders who are related to major shareholders or any ultimate controller.

11. Not being a director of parent company, subsidiary company or same level subsidiary company, only the listed company.

In addition, at least one independent director holding the position of auditing director must be an individual with sufficient knowledge and experience in the field of accounting or finance to be able to perform the duty of reconciling financial budget credibility. Also, the independent director will decide upon other qualifications, such as business experience, expertise involved with business, ethics, etc. As for criteria and methods for appointing auditing directors, the criteria shall comply with the criteria and methods for appointing company directors. Auditing directors who have been released from office by term may be reappointed to the position. In cases where the position of auditing directors becomes available due to any cause other than the completion of the term for that position, the independent director shall make a selection and proposal to the meeting of the Company's Board of Directors in order to consider appointing individuals with qualifications as auditing directors so the number of auditing directors will be complete as specified by the Company's Board of Directors. Individuals substituting for auditing directors may remain in the position only for the remainder of the term of the auditing director substituted for.

### **3. Recruitment for the Risk Management & Sub-committee**

The company's board of directors will appoint a Risk Management Sub-Committee consisting of no more than three directors or senior executives from various fields of work by designating the Chairman of the Risk Management Sub-Committee as an independent director. The Risk management Sub-Committee members shall serve for compensation consideration have agenda for operation according to the agenda of being the committee of the company and need to have a meeting at least two a year. There must be quorum at least not less than one-half for compensation consideration participates in each meeting.

### **4. Recruiting recruitment & Wage Sub-Committee members**

The committees of the company are authority to appoint the subcommittees for compensation consideration which consisting of no more than three directors. By the way, the committee for compensation consideration have agenda for operation according to the agenda of being the committee of the company and need to have a meeting at least two a year. By a quorum of Wage Sub-Committee members shall consist of no less than one-half.

### **5. Nomination of the Corporate Governance and Sustainability Subcommittee (CG&CGR)**

Board of Directors is the person who appoints the Corporate Governance and Sustainability Subcommittee (CG&CGR), which will consist of no more than 4 members, with the Chairman of the Corporate Governance and Sustainability Subcommittee (CG&CGR) must be independent directors. In this regard, the Corporate Governance and Sustainability Subcommittee (CG&CGR) has the same term of office as the Company's directorship. The meeting must be held at least twice a year. The quorum of the Corporate Governance and Sustainability Subcommittee (CG&CGR) must be at least 3 people attending the meeting.

### **6. Recruitment Executive Board of Directors**

The executive board shall be selected from the company's board of directors or senior management of the company or its subsidiaries who could manage in normal business operation along with determine the



strategy, business plan, business budget, organization chart, monitoring, and follow up the performance according to the Board of Director's policy.

## **7. Recruitment Executive**

The company's board of directors and/or individuals assigned by the company's board of directors will consider the appointment of executives from experienced personnel with knowledge and capabilities in managing operations in related fields of work.

### **Board of Directors' Self-Assessment**

The Company has policy to arrange for the Company's Board of Directors to conduct annual performance assessments because the Company views the efficiency of the Board of Directors as a key factor to the Company's success. Performance assessments have objectives to help the Board of Director, each director and each sub-committee to review personal performance in the past year. In addition, performance assessments helped the Board of Directors, directors and sub-committees to perform duties more effectively. Committee performance assessments are arranged in two characteristics as follows:

#### **1) Performance assessment of the entire committee in various aspects such as:**

- 1) Committee structure and qualifications.
- 2) Committee roles, duties and responsibilities.
- 3) Strategy designation.
- 4) Supervision.
- 5) Committee meetings.
- 6) Directors' performance of duties.
- 7) Relationships with the Management Department.
- 8) Self-improvement of directors and executives.

#### **2) Individual performance assessment in various aspects consisted of the following:**

- 1) Director readiness.
- 2) Independence.
- 3) Business supervision.
- 4) Readiness to become directors and qualifications.
- 5) Risk management and internal control.
- 6) Prevention of conflicts of interest.
- 7) Monitoring of financial reports and operations.
- 8) Committee meetings.
- 9) Other.

## **Sub-Committee Performance Evaluation**

The Board of Directors arranges annual sub-committee performance evaluations of the Audit Committee, the Recruitment and Wage Sub-Committee and the Risk Management Sub-Committee to use as a framework for examining performance during the past year in order to make corrections and boost work efficiency.

***Description of the process and criteria for work evaluation are as follows:***

1. The Recruitment and Wage Sub-Committee reviews performance on a regular basis every year through proposal by the Company's secretary in order to ensure that the performance evaluation form for the entire committee and the self-assessment form for individual people are correct and complete and meet appropriate criteria. The self-assessment form used by the Company is the form provided by the Stock Exchange of Thailand in evaluation.

2. The Company's secretary gathers all performance evaluation forms, scores them and subsequently present them to the Recruitment and Wage Sub-Committee.

3. The Recruitment and Wage Sub-Committee presents all evaluation results to the Board of Directors for consideration and use as guidelines for improving the management of the Board of Directors as well as improve the capabilities of individual directors.

In this regard, the evaluation results for the year 2021, the company has assessed the performance of the Board of Directors. And all sub-committees Individually and all faculties The results of the performance evaluation of the Board of Directors And sub-committees The Committee is of the opinion that the duties are fully performed in accordance with the scope of duties and responsibilities. And in accordance with good corporate governance criteria

**Director and Executive Development**

1. The company supports and facilitates the training and education of the Board of Directors and every employee to make continual improvements in performance.

2. The Board of Directors has arranged a "Good Governance Policy" manual for the Board of Directors to be aware of important criteria related to the Board of Directors and other sub-committees, including important policies and data related to the company in order to ensure that the Board of Directors is able to perform corporate governance roles more effectively.

3. The company holds orientation for new directors to gain knowledge and understanding in the business of the company and related regulations. The company also meets with service providers in order to ensure that directors are able to inquire about in-depth information regarding the company's business. It further supports new directors to be trained in courses for directors at the Thai Institute of Directors and other related institutes.

**Board of Directors Training**

The Company has encouraged the Board of Directors to Has studied and trained more to increase knowledge An understanding of the principles of good corporate governance, rules, regulations, as well as roles and responsibilities of company directors. in the management to be effective and have ethics. The Company Secretary will discuss with each director to prepare Training programs and knowledge development to suit individual needs. In 2022, the directors participated in the training. / Seminars on various topics such as In addition, also participated in seminars on various topics according to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission also held



List of directors	Course	Training Date
Mr. Sakchai Wongchaisuriya Ms. Benjawan Prasansap	Easy listening : Accounting tips at AC not to be missed	May 28 <sup>th</sup> , 2022
Mr. Suthat Bunyaudomsart Mr. Sakchai Wongchaisuriya Mr. Prayut Wibulsirichai	IOD-Hot Issue for Directors : What directors need to know about Dugital Assets What directors need to know about digital assets	October 3 <sup>th</sup> , 2022
Mr. Suwat Luangwiriya	CIRCULAR ECONOMY BUSSNESS MODELS Issues relating to the Company's strategy and policy for the implementation of Circular Ecomnomy.	November 22 <sup>th</sup> , 2022
Mr. Rengchai Ruangpayungsak	The importance of disclosure of environmental, social and governance (ESG) business practices and the role of auditors in the sustainability of the capital market and the growth of the Thai economy.	December 2 <sup>th</sup> , 2022

In addition, he also participated in seminars on various topics. according to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission also held

#### Orientation for new directors

Newly appointed directors must attend the Company's orientation. Prior to performing duties, attending this orientation aims to help new directors get to know the management, nature of business, and guidelines. Practice in corporate governance of the company with the company secretary and executives from various departments as lecturers to clarify for them to acknowledge, which the Company has scheduled to provide lectures and presented an overview of the Company's business Let new directors be informed on the following topics.

- Framework for business operations (laws, regulations, rules)
- Operations and activities information
- Important projects
- Organization Development business development
- Good corporate governance
- Social Responsibility

#### 8.1.2 Attendance and Remuneration of the Director

##### 8.1.2.1 Meeting of the Board of Directors

1. The Board of Directors' Meeting is held once every quarter on a normal basis. Directors must regularly attend the Board of Directors' Meetings to be informed of and jointly make decisions on the Company's business operations. and the dates of the Board of Directors' Meetings are predetermined one year in advance



and present to the board meeting for acknowledgment at the meeting. However, additional meetings may be called if there are special matters that require the Board's approval or urgent matters that require the Board's consideration.

2. The chairman and president set the agenda. Each director is able to offer various topics to be considered as agenda items for the meeting.

3. The secretary is responsible for the delivery of meeting notice with the agenda and supporting documents seven days in prior to the meeting date for that the board of directors to review them before the meeting takes place. For urgent cases, the delivery of documents can be done later.

4. The secretary will provide accurate meeting minutes with details such as list of the directors who attended the meeting and who were absent from the meeting, the summary and points of discussion at the meeting including the opinion of each director and clear recorded resolutions of the board of directors. Shareholders can review the meeting minutes to determine if it is in accordance with the law. The company will systematically keep all reports and meeting documents so that they are searchable.

5. All directors will have adequate information to make decisions on various topics.

6. Chairman of the board allocates sufficient time for the management to present the data and for the board of directors to thoughtfully consider it and provide the opportunity for a full and open discussion.

7. At times, some senior executives may join in the meeting to provide directly related additional information.

8. In every meeting, the management had been asked on questions raised by directors. The directors exercised careful, independent and transparent judgment with fair consideration for the interests of shareholders and stakeholders. Directors with vested interests in the matter under consideration must leave the meeting during consideration of that matter. The Chairman also provided sufficient time for directors to discuss problems and possible solutions. Management related to the presented agenda item were invited to the meeting to provide additional details and answer questions, which also is a good opportunity for the management to get to know the high-level executives for further job-handover.

9. Every director is considered a duty to attend every meeting of the Board of Directors unless there is a need.

10. In the agenda of voting at the Board of Directors meeting To hold a resolution of a majority By counting one committee member, he has one vote. The directors with conflict of interest will not attend the meeting and / Or not using the right to vote on that matter And if the votes are equal The chairman of the meeting will have one more vote.

11. The Company has assigned the minimum quorum. The Board of Directors for the resolution of the Board of Directors at least 2 out of 3 of its members.



The Company holds 5 Board of Directors meetings, one time attendance at the Annual General Meeting of Shareholders, which is appropriate to the duties and responsibilities. Board responsibility And the Company's business operations in the past year There is also a meeting of the Non-Executive Committee 1 time in order for the Non-Executive Directors to exchange views and consider various issues. Both related to the business of the company And matters that are in the spotlight Also the company The Board of Directors' meetings are scheduled in advance throughout the year. In 2021, the Board of Directors And sub-committees Who attended the meeting can be summarized as follows:

Name	Number of Meeting Attendances					
	Directors	Auditing Directors	The Risk Management Sub-committee	Recruitment & Wage Sub-committee	Corporate Governance and Sustainability Subcommittee (CG&CGR)	AGM 2021
1. Mr.UThai Juntima	4/4	-	-	2/2	-	1/1
2. Mr.Teerasak Pongpanakrai	4/4	-	-	-	-	1/1
3. Mr.Vanchai Luengviriya	4/4	-	2/2	2/2	2/2	1/1
4. Mr.Suwat Luengviriya	4/4	-	-	-	-	1/1
5. Mr.Suthat Boonyaudomsart	4/4	-	-	-	-	1/1
7. Mr.Sakchai Wongchaisuriya*	4/4	4/4	2/2	2/2	2/2	1/1
8. Miss.Benjawan Prasansap	4/4	4/4	-	2/2	2/2	1/1
9. Mr.Prayut Wiboonsirichai*	4/4	4/4	2/2	2/2	2/2	1/1
10. Mr.Rerngchai Rurngpayoongsak	4/4	-	-	-	-	1/1

**Note:** \* was appointed as the Nomination and Remuneration Subcommittee on August 13<sup>th</sup>, 2021.

#### 8.1.2.2 payment of remuneration for individual directors.

##### *Remuneration of the Director*

In setting director remuneration, the company will consider suitability in relation to duties, assigned responsibilities and comparison with listed companies on the Stock Exchange of Thailand in similar industries and business sizes. The aforementioned remuneration for directors is adequate to motivate directors to have quality and ability to successfully perform duties according to business goals and directions specified by the company with transparent processes to build confidence among shareholders

The Recruitment and Wage Sub-Committee considers setting fair and reasonable remuneration for directors with consistency to responsibilities of directors, financial status of the company and comparison with listed companies on the SET from similar industries and business size along with comparing to mean values of





listed companies according to a report on findings from surveys of director remuneration rates in listed companies by the Thai Institute of Directors. The company sets remuneration in the form of meeting gratuities and bonus payments.

In this regard, the committee remuneration Approved by the 2021 Annual General Meeting of Shareholders on April 27<sup>th</sup>, 2021 as follows:

### 1.Monetary Compensation

Meeting Gratuities for Directors and Audit Committee Directors The company offers the following monetary compensation :

Meeting gratuities for the company directors shall be paid at the following rate:

- The chairman of Board : 20,000 baht/time
- Each company director : 10,000 baht/time

Meeting gratuities for the Audit committee Directors shall be paid at the following rates :

- The chairman of Audit committee : 20,000 baht/time
- Each Audit committee director : 10,000 baht/time

### 2. Bonus Wages

The bonus remunerations for the performance in 2021 were set to not exceed a sum of 400,000 baht,. Considerations are made as appropriate and are linked to the Company's performance. Accordingly, the responsibility for allocating bonuses for the Board of Directors belongs to the Chairman of the Board.

### 3.Other compensation

- None -

Details of the remuneration for each director in the form of meeting allowances and bonuses for the year 2022 are as follows

Name	Remuneration Description		
	Board of Directors' Meeting Gratuities	Bonuses	Total
1. Mr.UThai Juntima	80,000	80,000	160,000
2. Mr.Teerasak Pongpanakrai	40,000	40,000	80,000
3. Mr.Vanchai Luengviriya	40,000	40,000	80,000
4. Mr.Suwat Luengviriya	40,000	40,000	80,000
5.Mr.Suthat Boonyaudomsart	40,000	40,000	80,000
6. Mr.Rerngchai Rungpayoongsak	40,000	40,000	80,000
7.Mr.Sakchai Wongchaisuriya**	120,000	40,000	160,000
8. Miss.Benjawan Prasansap**	80,000	40,000	120,000
9.Mr.Prayut Wiboonsirichai**	80,000	40,000	120,000
<b>รวม</b>	<b>560,000</b>	<b>400,000</b>	<b>960,000</b>

Remarks: \*\* includes meeting allowances for the audit committee



### **8.1.3 Monitoring of the Operation of the Company's Subsidiaries and Affiliates**

*--None--*

### **8.1.4 Corporate Governance Policies Compliance Review**

The Company has a policy to upgrade and promote a better corporate governance framework, whereby the Company has established additional operational criteria for the Board of Directors and the Chief Executive Officer, which are important as: Determining the Schedule of Annual Meeting Work Plans for the Board of Directors Requiring the Board of Directors to meet with the auditors without the management of the meeting At least once a year and requiring the Board of Directors to consider reports such as risk management. Developing a sustainable supply chain In addition, the internal audit report must be considered at every meeting of the Board of Directors.

The Board of Directors supervises compliance with the operating procedures and disclosures of transactions that may lead to conflicts of interest, in accordance with the regulations of the SEC, the Stock Exchange of Thailand. And relevant regulators the Audit Committee has been appointed to consider and approve. And In addition, the Company has established rules and regulations and established scope of transactions with stakeholders. By specifying types and procedures for approving transactions that may lead to conflicts of interest. This is a normal transaction that the company does in its business operations. In addition, entering into a transaction that may have a large or significant conflict of interest to the Company's business operations.

Must be approved by the Board of Directors And the Company has requested approval from the Board of Directors for entering into transactions with interested persons or reporting on transactions. With interested persons to the Board of Directors for acknowledgment, in accordance with the Company's policy

### **1. Prevention of Conflicts of Interest**

The board of directors has a policy for preventing conflict of interest on the principle that any decision to conduct business activities will be done for the best interest of the company and should avoid actions that cause conflict of interest. It requires those who are involved or have a conflict of interest to notify the company of the relationship or interests in the transaction, and they shall not participate in the decision-making including having no approval authority for such a transaction.

If there are items that may cause conflicts to occur that do not fall under regular trading procedures or comply with regular trading terms it must be presented at the meeting of the board of directors for approval. The Audit Committee shall carefully consider the appropriateness and present at the meeting of the board of directors and / or the shareholders' meeting (as the case may be.) The company must comply with the rules and regulations set forth by the board of directors overseeing stocks and stock exchanges and the Stock Exchange of Thailand and will disclose the reports on the direction of the business in the annual reports and in form showing the list of annual information (form 56-1 one report).



## 2. Protection of against Abuse of Insider Information for Personal Gain

The Company gives importance to the misuse of inside confidential information for personal gain. Thus, it has included in the Company's Policy on Corporate Governance as well as in the Handbook on Business Ethics and Code of Business Conducts that it is prohibited to make use of confidential information that is known to them and that may be for the purpose of gaining personal benefits prior to such confidential information is disclosed to the general public. As such, a policy has been established the Policy on Protecting the Misuse of Inside Confidential Information together with associated operating guidelines on the buying and selling of the shares of the Company for use by Board Directors, Executives and employees. This is aimed to be measures to prevent the misuse of inside confidential information (or insider trading) by any involved parties, such as Board Directors, Executives and employee working in the Business Units that deal with confidential Company information, and includes those share of the Company owned by their spouses as well as children and adopted children who are not yet of legal age, as follows:

1. Whenever there is any trading (acquisition or disposal) of securities of the Company by directors and executives of the Company, they are required to file a report at least one (1) business day prior to the actual trading of such securities are made, through using the Pre-59 Form "Advance Notice of Trading of the Securities of the Company", to the Company Secretary who will keep the Pre-59 Form on file and will make a summary report of all the reported planned trading to the Board of Directors on an annual basis. Thereafter, once the actual trading of the securities of the Company is completed, then a report on the changes in securities holding, Form 59, must be submitted electronically to the SEC within 3 business days after the actual trade has been made; whereby the SEC will disclose this information on the changes in securities holding on its website. This will enable investors to monitor such changes in securities holding by the said persons who are in the position or situation that might have access to inside information of the Company and might make use of such information for their own personal benefit prior to the information being disclosed to the general public.

2. Board Directors, Executives and employees, who are able to access to or have in their possession any confidential inside information, are told they are forbidden to trade (acquire/dispose of) shares of the Company for a specific duration immediately prior to the disclosure of such information to the general public; whereby the Company has compiled a list of names of such persons who are able to access to or have in their possession any confidential inside information (Insider List); namely Board Directors, Executives and employee or other people, who may have the opportunity to gain access to such confidential information and then seek to gain personal benefits from such information in an improper manner prior to the information is disclosed to the general public. As such, all these persons are prohibited from trading any shares of the Company during the "Blackout period", the period of having access to or possessing inside confidential information or other sensitive information that may affect the share price, as well as for a period of 30 days prior to the disclosure of financial information to the SET and general public and for 1 day after the disclosure.

3. It is prohibited to make improper use of inside confidential information that have not yet been disclosed to the general public or to the SET for the sake of gaining personal benefit or for the benefit of any other involved parties, which is considered to be a means of taking unfair advantage of other Shareholders

4. The company prohibits directors, executives, and relevant persons who received insider information which may effect to the price of securities buy or sell securities of the company prior to the release of the financial statement and insider information to public at least 1 month and should wait until at least 24 hours after the release of information to public before buying or selling securities of the company.

5. The company has established disciplinary actions for violations of use of inside information for self gain. These could include: written warning, wage cut, suspension without pay and termination. Disciplinary actions is taken depending upon willfulness and severity of the violation.

As such, during 2021, there were no incidents relating to any breach of inside information on the part of Board Directors, Executive Directors, high-level Executives and employee of the Company.

### 3. Action against corruption

The company pays attention to anti-corruption. The Board of Directors has approved the anti-corruption policy. And reviewing the appropriateness of the policy On an annual basis in order to establish a clear guideline in business operations and to instill it as an organizational culture. More information can be found at [www.akkhie.com](http://www.akkhie.com)

The company remains committed to implementing the anti-corruption policy continuously. As a result, Akkhai Prakan Public Company Limited was certified as a Certified Company by the Thai Private Sector Collective Action Coalition Against Corruption Committee. Since May 21<sup>st</sup>, 2019 and passed the first certification renewal on May 20<sup>th</sup>,2022.



In 2022, the company continues to raise awareness. Understanding for Directors, Executives, Employees in the implementation of the Anti-Corruption Policy on a continuous and regular basis.

- Dissemination and communication in the Business Ethics Handbook And the anti-corruption policy for all employees to acknowledge and practice with publicity through various activities of the company
- Executives meet to clarify various information of the company including anti-corruption policy. With an opportunity to ask questions to understand
- Training on how to behave according to the code of conduct And anti-corruption policy to reinforce the corporate culture of the company
- Dissemination of the concept of anti-corruption to trading partners Jointly apply the principles and concepts of good corporate citizenship along with good corporate governance for the community, society and environment.

In addition, the Internal Audit Department will assess Follow up supervision Code of Conduct And the anti-corruption policy and report to the Audit Committee every time there is a meeting.

In 2022 there was no corruption in the company.

#### 4. Whistleblowing

Company has established a "Whistleblowing and Corruption Policy" to demonstrate the importance of good corporate governance. And provide opportunities for employees and other stakeholders to provide information or provide clues if violations are found. Or found irregularities in the Company's business operations such as supervision of morality, ethics, corruption, financial transactions Compliance with the guidelines Regulations required by law and anti-corruption policy in business operations Through established channels to have the complaint information reviewed according to the processes specified in the report to the Audit Committee Board of Directors In addition, the complainant's contact information is clearly provided. By disclosing processes and channels on the company's website

This is to build confidence among employees and various stakeholders. That reporting or providing information or clues will not cause any damage to the complainant or the informant, the Company has set up a mechanism for protection and mitigation of damages to those who report or provide unfair information.

The company has communicated to employees and stakeholders. Acknowledge the complaints in the complaint handling system. That can access the system at any time Through the following channels

- Internal channels for employees complaints can be made both anonymously and anonymously.

1. Employees of the company accessible to everyone you can select the recipient of the complaint as follows

- Chairman of the Audit Committee.
- Chairman of the Investigative Committee.
- Internal Audit Department.
- Chief Executive Officer and Managing Director.
- Company Secretary

2. Make a letter to the person above, or

3. Send an email to the independent director at [audit@akkhie.com](mailto:audit@akkhie.com)

- For outsiders Complaints can be made through the website. [www.akkhie.com](http://www.akkhie.com) Is an anonymous complaint and can choose the recipient of the complaint as follows

- Chairman of the Audit Committee.
- Chairman of the Investigative Committee.
- Internal Audit Department.
- Chief Executive Officer and Managing Director.
- Company Secretary

Or Made in writing to the above person

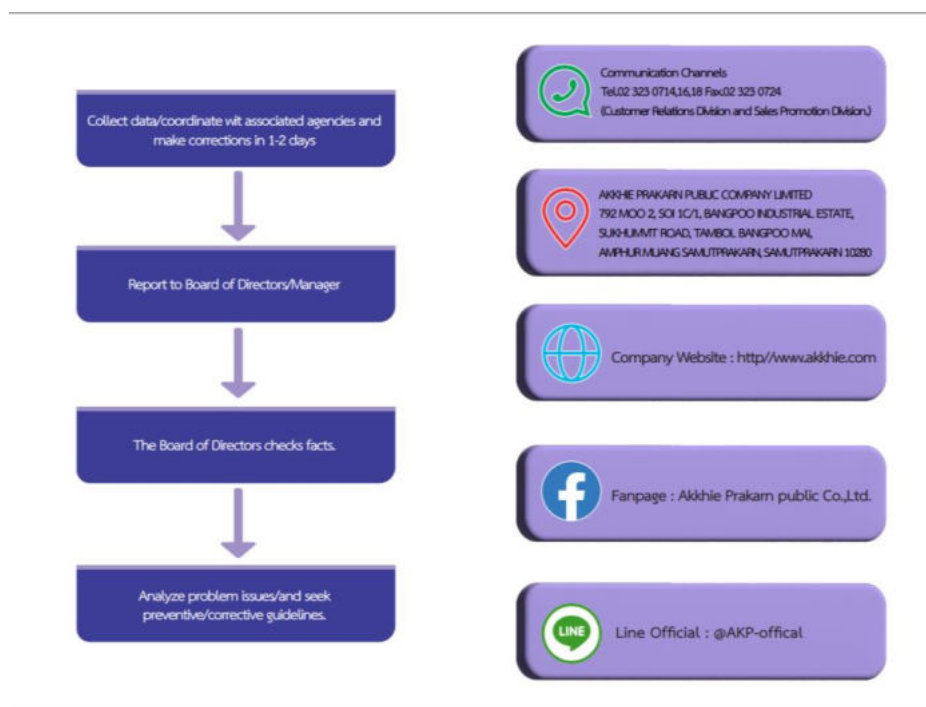
In 2022, the company has no complaints. Through the system for receiving complaints in any way

### Monitoring and receiving complaints

For transparency and fairness, to strengthen the confidence of stakeholders in all sectors The company has reviewed the measures complaints and whistleblowing and processes protection for whistleblowers or whistleblowers. And mechanisms for monitoring and auditing according to the ethics requirements. In business continuity to make the operations related to complaints more clear and efficient. And adhere to the practice on Whistleblowing from the Stock Exchange of Thailand (SET)

For issues that are in violation of laws, rules, regulations, or acts that may imply corruption The company has assigned the internal system audit department. Which is an independent agency and directly to the Audit Committee Serves to check for facts Along with a progress report To build confidence that the company All complaints received are taken seriously.

### Communication process And receive complaints from Akkhie Prakan Public Company Limited





## 8.2 Report on the Audit Committee's performance in 2022

In 2022, there were 4 audit committee meetings and the following details were in the consideration:

1. Consider the completeness, Accuracy and Reliability of Financial Reports
2. Consider the connected Transactions or Transactions with Potential Conflicts of Interest
3. Consider the assessing the adequacy of internal control, countering bribery and corruption, and directing internal inspections.
4. Consider the risk Management
5. Consider compliance with the Law and Specifications
6. Consider selection of Auditors and Setting of Remuneration
7. consider and review various matters To comply with the requirements and regulations

## 8.3 Report on the Subcommittee's performance in 2022

In 2022, the company disclosed meeting information. And reports on the performance of duties of the Audit Committee Nomination and Remuneration Sub-Committee Risk Management Subcommittee The Corporate Governance and Social and Environmental Responsibility (CG & CSR) Subcommittee has been fully completed. Details can be found in " **Attachment 3**



## 9. Internal Control and Risk Management and Related Party Transactions

### 9.1 Internal Control and Risk Management

The Company realizes the importance of managing a good internal control system. To help run the business more efficiently and effectively. Including the performance of various duties There is transparency, credibility and a balance of power mechanism in line with good corporate governance by the Board of Directors. The Audit Committee has assigned the audit committee to review and ensure that the Company has good internal control and internal audit systems, as well as reviewing the Company's performance. To ensure that the company has a business system in line with the guidelines of the Stock Exchange of Thailand. And the Securities and Exchange Commission (SEC)

The Company has assessed and considered the adequacy of the Company's internal control system. According to the internal control system sufficiency assessment form of the Office of the Securities and Exchange Commission Under the concept of The Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in 2020, it was found that the Company There is an adequate and appropriate internal control system.

At the Board of Directors' Meeting No. 1/2565 on February 24<sup>nd</sup>, 2022 in which the Audit Committee composed of all three independent directors attended, the Board of Directors evaluated the sufficiency of the internal control system based on the evaluation report on the internal control system by the Management Department as approved by the consideration of the Audit Committee of Akkhie Prakarn Public Company Limited based on the sufficiency of internal control system evaluation form provided by the Office of the Securities and Exchange Commission (SEC Office). Thus, it was concluded based on the evaluation results that the Company's internal control system is appropriate and sufficient to oversee activities effectively in concurrence with related objectives, purposes, laws and specifications of the following 5 components as follows:

1. Control Environment
2. Risk Assessment
3. Operational Control
4. Information Technology and Communication Systems
5. Monitoring System

The Board of Directors There is an opinion that the Company There is an adequate management and internal control system that is appropriate for the nature of the business. All five parts of the internal control system are effective and comprehensive to prevent transactions with major shareholders, directors, executives or related persons of such persons. In addition, the Company has provided sufficient personnel to perform operations. According to the internal control system and monitor and supervise the operation to be able to protect the Company's assets. From the use of directors or executives improperly or without power. This includes adequate and appropriate transactions with persons with conflicts and related parties





For the evaluation of the internal control system in the above. The Audit Committee of the Company There is no different opinion from the opinion of the Board of Directors in any way.

In addition, Karin Audit Company Limited, who was appointed as the Company's auditor. And is an auditor licensed by the Securities and Exchange Commission has audited The Company's financial statement as of December 31, 2022 and has presented the financial statements and the audit report to the Audit Committee and the Board of Directors. The results of the audited financial statements as mentioned above by The auditor has commented that the Company's financial statements are prepared in accordance with generally accepted auditing standards. And performance showing investments under equity method and separate results of operations And cash flow statement showing investments under equity method And separate cash flow statements The auditor found no significant deficiencies in internal control and did not issue a summary report of problems or recommendations found from the audit and audit. Review (Management Letter) for the year 2022 ended 31 December 2022

And in the Audit Committee Meeting No. 3/2021 on August 12<sup>th</sup>, 2022, Mrs. Pariya Chanyarak, who is the Company's Internal Auditor, has been assigned the position of Internal Auditor. Is the main responsible person for performing the duties of auditing the Company's internal control system. Because it has the right qualifications Knowledgeable And have sufficient experience in the field of internal control auditing. And receive regular training in related courses (Please see additional details in Attachment 3, Qualifications of a person holding the position of Internal Audit Supervisor), therefore, that it is appropriate to perform such duties adequately

However, the appointment, removal and transfer of the head of the internal control system audit of the company. Must be approved by the Audit Committee. The Internal Control Auditor will conduct a risk assessment and prepare an annual internal audit plan. Conduct an audit of the company As well as follow up and give advice to the company Continue to improve and make reports to the Audit Committee every time.

## 9.2 Related Party Transactions

### 9.2.1 Nature of Relationship

The company had some related transactions with persons who may have conflicts of interests. Such related transactions were the transactions with shareholders and/or executives of the company, including the transactions with related companies the related persons acted as shareholders and / or executive. The nature of relationship can be summarized as follows.

Person who may have Conflicts of Interests	Nature of Relationship
Better World Green Plc. ("BWG")	Registered founding on 23 July 1997; as of 31 December 2022, registered paid up capital amounted to 1,138 million baht in order to engage in the business of providing industrial waste management and management services through the treatment, disposal and reuse of energy. BWG is a major shareholder in the company with a share ratio of 51.18 percent of registered paid up capital and two directors, namely, Mr.Suwat Luengviriya



Person who may have Conflicts of Interests	Nature of Relationship
	and Mr.Suthat Boonyaudomsart. Mr. Suwat Luengviriy is a director and managing director of BWG. Status as older brother of mr.Vanchai Luengviriya AKP's director and managing director
Better World Transport Co.,Ltd. ("BWT")	Registered founding on 26 October 2001; as of 31 December 2022 registered paid up capital amounted to 150 million baht in order to engage in the business of providing services and control of the transportation of industrial waste. BWG holds 99.99 percent shares in all registered paid up capital and shares a director in the company, Mr. Suwat Luengviriya and Mr.Suthat Boonyaudomsart. Miss Kamala Luengviriya is a director of BWT Status as older sister of Mr. Wanchai Luengwiriya, AKP's director and managing director, and sister of Mr. Suwat Luengwiriya, a director and managing director of BWG.
Better Waste Care Co.,Ltd. ("BWC")	Registered founding on 23 September 2002; as of 31 December 2022 paid up capital amounted to 200 million baht. To engage in agent business in procuring and collecting industrial waste For treatment and removal And operates the business of providing liquid quality improvement services To bring it back and use it again. BWG holds 99.94 percent of shares in all registered paid up capital and shares a director with the company, Mr.Suwat Luengviriya and Mr.Suthat Boonyaudomsart.
Better Me Co.,Ltd. ("BME")	Registered founding on 26 June 2018; as of 31 December 2022 Registered capital 12.25 million baht . To engage in the business of providing services as a broker and or an agent In the service of hazardous and non-hazardous industrial waste disposal Either solids and or liquids, analyzes of industrial wastes, transportation or other services. Related. BWG holds 99.68 percent of shares in all registered paid up capital and shares a director with the company, Mr. Suwat Luengviriya and Mr. Suthat Boonyaudomsart.
Earth Tech Environment Plc. ("ETC")	Registered founding on 9 January 2004; as of 31 December 2022 holds 1,120 million baht To operate the business of producing and distributing electricity from mixed waste. BWG holds 43.93 percent of registered paid up capital and shares two directors, namely, Mr.Suwat Luengviriya and Mr. Suthat



Person who may have Conflicts of Interests	Nature of Relationship
	Boonya-Udomsart. AKP BWG holds 7.14 percent of shares in all registered paid up capital and two directors, namely, Mr.Suwat Luengwiriya and Mr.Suthat Boonyaudomsart. Mr.Akarin Lueangwiriya is a director and managing director of ETC Status as older brother of Mr. Wanchai Luengwiriya, a director and managing director of AKP, and a brother of Mr. Suwat Luengwiriya who is a director and managing director. Of BWG
Recovery House Co., Ltd. ("RH")	Registered founding on 26 June 2014 and 31 December 2022, registered paid up capital amounted to 200 million baht to operate business for Producing and selling electricity using fuel from industrial waste. ETC holds 95 percent of registered paid up capital. Mr. Akarin Lueangwiriya is a director and managing director of ETC Status as older brother of Mr. Wanchai Luengwiriya, a director and managing director of AKP, and a brother of Mr. Suwat Luengwiriya who is a director and managing director. Of BWG
AVA Green Energy Co., Ltd. ("AVA")	Registered founding on 17 August 2016 and 31 December 2022, registered paid up capital amounted to 125 million baht to operate Producing and selling electricity using fuel from industrial waste. ETC holds 97 percent of registered paid up capital. Mr.Akarin Lueangwiriya is a director and managing director of ETC Status as older brother of Mr. Wanchai Luengwiriya,a director and managing director of AKP,and a brother of Mr. Suwat Luengwiriya who is a director and managing director. Of BWG
Be Green Development Co., Ltd. ("BeGreen")	Registered founding on 8 July 2016 and 31 December 2022, registered paid up capital amounted to 1 million baht for the purpose of engaging in development and allocation of land and purchase-sell real estate to operate industrial factory businesses and commercial businesses in the form of industrial estates and other similar types. BWG holds 91.00 percent of registered paid up capital and shares two directors, namely, Mr. Suwat Luengwiriya and Mr. Suthat Boonya-udomsart.



Person who may have Conflicts of Interests	Nature of Relationship
Link 88 Power Co., Ltd. ("L88")	Registered founding on 9 August 2016 and 31 December 2022, registered paid up capital amounted to 200 million baht to operate a power plant and electrical power and energy production business. ETC holds 99.88 percent of registered paid up capital.
Siri Lapha Power Co., Ltd. ("SIRI")	Registered founding on 17 August 2016 and 31 December 2022, registered paid up capital of 12.5 million baht to operate Producing and selling electricity using fuel from industrial waste. ETC holds 97 of registered paid up capital.
Earth Engineer and Construction Co., Ltd. ("EEC")	Registered founding on 11 April 2017 and 31 December 2022, registered paid up capital amounted to 55 million baht to operate business for engineering design services, Supply of machinery and equipment. ETC holds 99.99 percent of registered paid up capital.



### 9.2.2. Nature of Related Transactions

The company had the related transactions due to the fact that the company conducted the business with the persons who may have conflict of interests. The nature and value of related transactions can be summarized as follows.

No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
1.	Better World Green Plc. ("BWG")	Incineration income	19.14	15.36	9.88	The Company receives revenues in the destruction of sewage effluents from by eliminating the particular waste through burning process according to the Department of Industrial.	The aforementioned transactions concur with normal business activities and the company set price policies to be in line with normal business price.
		Transportation of waste income	1.97	2.56	0.93	The company receives revenue from the provision of transportation services in normal business	The aforementioned transactions concur with normal business activities and the company set price policies to be in line with normal business price.
		Transportation income	2.13	3.05	10.07	The company receives revenue from the provision of transportation services in normal business	The aforementioned transactions concur with normal business activities and rates are reasonable with clear employment contracts executed.
		Agent commission income	-	0.40	0.93	The company earns its revenues from entering into an agreement with BWG regarding the provision of marketing services.	The above list is a marketing operation. Which brings benefits to the company By price policy as stipulated in the contract



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
		Income from asset sales	-	0.14	-	The Company has revenue from selling waste water filling equipment to BWG.	The aforementioned transaction is a transaction arising from the sale of assets. Which brings benefits to the company by the price policy as specified in the contract
		Other current receivables	-	0.15	-		
		Trade Receivable	-	-	-	The Company earns income from the contract for the collection of industrial waste from BWG Company.	Such items It is necessary and reasonable because it is a normal trading transaction. The selling price and the normal payment terms that the Company offers to the general customers are set.
		Trade accounts receivable	7.37	6.20	6.51	The Company gives credit term to the parent company for payment within 30 days from the date on the invoice.	Such items It is necessary and reasonable because it is a normal trading transaction. The selling price and the normal payment terms that the Company offers to the general customers are set.
		Cost of industrial waste landfill	11.19	11.83	10.30	The Company have ash consist from incineration process(Please see detail complementary) Business each product line.The process of elimination of waste incinerator industry.The Company Required to be submitted to the BWG to the landfill by law.	Expenses incurred in the process. Considered as operating costs. In a manner that is typical of the industry. Expenses incurred in the process. As operating costs. In a manner that is typical of the industry.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
		Other Expenses	0.02	-	-	The Company incurred expenses from purchasing mixed fuels with heat values (alternative fuel materials) from BWG to use as alternative fuel with natural gas in incineration and sending industrial waste samples for analysis at BWG. And the fuel	The aforementioned transaction is necessary and reasonable because the transactions is a normal trade account and the mutual service fees charged are appropriate.
		Trade payables with related companies	0.01	2.17	2.52	Trade debt resulting from the incineration process.	The transaction is reasonable and the interest rate charged among them is appropriate.
		Dividend payment	0.30	4.76	6.62	Expenses for dividend payment from net profit after corporate income tax From the performance of the year	The transaction is in necessary and reasonable because the transactions is a right of dividend



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2010		
2.	Better Waste Care Co.,Ltd. ("BWC")	Incineration income	6.66	7.58	5.67	The Company generated revenue from providing incineration of waste. to the BWC. BWC is the agent to contact the customers, specifically government agencies, which is not a part of Department of Industrial Works. The Company did not pay commission to BWC, and BWC also negotiate pricing with customer directly. The price of providing services is charged at a normal rate.	The aforementioned transactions concur with normal business activities and the company set price policies to be in line with normal business price.
		Transportation of waste income	0.94	1.08	1.59	The company receives revenue from the provision of transportation services in normal business activities.	The aforementioned transactions concur with normal business activities and the company set price policies to be in line with normal business price.
		Transportation income	0.94	2.77	2.57	The Company receives revenue from the provision of transportation services in normal business activities.	The aforementioned transactions concur with normal business activities and rates are reasonable with clear employment contracts executed.
		Income from asset sales	3.77	1.50	-	The Company has revenue from selling waste water filling equipment to BWC.	The aforementioned transaction is a transaction arising from the sale of assets. which brings benefits to the company by the price policy as specified in the contract
		Other current receivables	-	0.54	-		





No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
		Other income	-	-	0.005	The company has income from the contract for the collection of industrial waste from BWC Company.	Such items are necessary and reasonable because the collection of industrial waste that occurs in a normal manner.
		Trade Receivable	2.82	4.92	2.82	The company provides a credit term of payment within 30 days from the date of the invoice.	The transaction is reasonable and the interest rate charged among them is appropriate.
		Cost of wastewater quality adjustment	5.15	16.11	0.72	The Company supplies 3 types of wastewater to BWC: internal contaminated wastewater. Wastewater with a low energy value And concentrated acid wastewater To improve the quality and reuse In reducing fuel consumption and water supply use	The transaction to the normal operating costs of the industry, the prices for providing the services stipulated in the contract.
		Trade payables with related companies	4.97	2.91	0.77	Trade debt resulting from the incineration process.	The transaction is reasonable and the interest rate charged among them is appropriate.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
3.	Better World Transport Co.,Ltd. ("BWT")	Truck rental revenue	-	-	0.18	The company receives revenues by making a rent contract with BWT for Trucks to be transport industrial wastes nearby vicinities in order to streamline operations. The tenant makes monthly payments.	The item It is necessary and reasonable. It is based on the normal commercial nature of the business. The policy, price and terms are specified in the agreement.
		Income from asset sales	-	3.20	-	The Company has revenue from vehicle sales to BWT for use in packaging. Industrial waste and sewage handling	The item It is necessary and reasonable. It is based on the normal commercial nature of the business. The policy, price and terms are specified in the agreement.
		Other income	0.13	0.03	-	The company has income from the sale of equipment.	The above list is a transaction arising from the sale of equipment. which brings benefits to the company The purchase-sale is in accordance with the market price.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
		Trade Receivable	-	-	0.17	The company provides a credit term of payment within 30 days from the date of the invoice	Such items It is reasonable because it is a normal trading transaction with the normal selling price and payment terms that the Company offers to general customers.
		Transportation Costs	0.13	0.63	0.02	The Company has appointed BWT to manage transport vehicle of the Company.This is due to the BWT's expertise in handling of sewage and waste discharge that is complied with the legal standard. BWT also has license, which meet the needs of the company	The transaction is reasonable and the interest rate charged among them is appropriate The shipping fee is according to the normal values.
		Trade payables with related companies	0.08	0.04	0.02	Commercial liability arising from the cost of the above	The transaction is reasonable and the interest rate charged among them is appropriate



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
4	Better Me Co.,Ltd. ("BME")	Incineration income	50.69	59.55	142.95	The Company generated revenue from providing incineration of waste. BME is the agent to contact the customers, specifically government agencies, which is not a part of Department of Industrial Works. The Company pay Marketing operation expense. The company receives revenue from the provision of transportation services in normal business.	The aforementioned transactions concur with normal business activities and the policy, price and terms are specified in the agreement.
		Transportation of waste income	9.76	12.36	28.95	The company receives revenue from the provision of transportation services in normal business.	The aforementioned transactions concur with normal business activities and the company set price policies to be in line with normal business price.
		Transportation income	3.07	4.95	2.02	The Company receives revenue from the provision of transportation services in normal business activities.	The aforementioned transactions concur with normal business activities and rates are reasonable with clear employment contracts executed.
		Income from management fee Current other receivable	0.24 .	0.24 .	0.24 -	The company receives revenue from the management fee by entering into a document processing agreement with BME (employer) to process and manage documents. By paying wages annually.	The aforementioned transaction occurred as a result of document work employment, which benefits the company. The price policy is consistent with contract specification.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
		Other Income	0.71	3.76	3.58	The Company receives revenue from control the particular waste through burning process to collect industrial waste belonging to BME.	The aforementioned transaction is necessary and reasonable because industrial waste was collected with normal characteristics.
		Trade Receivable	15.47	17.52	56.00	The company receives the Wage revenue from the provision of transportation services in normal business. The company provides a credit term of payment within 30 days from the date of the invoice.	The aforementioned transactions concur with normal business activities and rates are reasonable with clear. The transaction is necessary and reasonable, as they are done with the normal pricing and payment terms offered by the company customers.
		Marketing operations fee	0.96	1.89	6.39	The company has assigned BME to carry out marketing until the customer Agreed by monthly wage payment	Such transactions are in the normal course of business. and the price is reasonable clearly according to the agreement between them.
		Accounts Payable	0.09	0.46	2.16	It is a trade liability arising from the above cost item.	Such items It is reasonable because it is a normal business transaction with the normal selling price and payment terms that the company pays to other general creditors.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
5.	Earth Tech Environment Public Company Limited ("ETC")	Other expenses	-	0.23	-	The company has purchased air treatment equipment from ETC for use in air treatment work.	The aforementioned items are those resulting from the purchase of air treatment equipment. which is reasonable and is necessary cause benefits to the company The purchase-sale is in accordance with the market price.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2021	2021	2020		
5.	Recovery House Co.,Ltd. ("RH")	Transportation income	-	0.23	-	The company earns revenue from providing demin water transport services from its power plants. Which is located in Saraburi province To RH's power plant, located in Phra Nakhon Si Ayutthaya Province To test RH's steam production process. At that time, RH's Demin water generator is still under installation.	The said connected transaction is necessary and reasonable because RH is required to test the use of Demin water from the power plant of the Company, with AKP having the capability and readiness to deliver the Demin water service according to the RH time required. The service fee was agreed upon and was the same price that AKP charged to outsiders.



No.	Persons who may have Conflicts of Interests	Nature of Transactions	(million baht)			Needs and Reasonableness of Transactions	Opinions of Audit Committee
			2022	2021	2020		
6.	Ava Grand Energy Co.,Ltd ("AVA")	Transportation income	-	-	0.06	The company earns revenue from providing demin water transport services from its power plants. Which is located in Saraburi province To the power plant of AVA located in Phichit Province In order to test the AVA steam production process. At that time, AVA Demin Water Generators are still being installed.	The said connected transaction is necessary and reasonable because the AVA is required to test the use of Demin water from the power plant of the Company, as AKP has the ability and readiness to provide the Demin water transportation service according to the time AVA wants to use. The service fee was agreed upon and was the same price that AKP charged to outsiders.



**Needs and Reasonableness of Related Transactions**

The related transactions include were necessary and reasonable in order to maximize the benefits towards the company, and the Audit Committee considered the related transactions incurred regarding the needs of such transactions and the reasonable of the rate of the related transactions, and disclosed types and values of related transactions of the company and/or subsidiaries with the persons who may have conflicts of interests under the notification and regulation of the Securities Exchange Commission and Stock Exchange of Thailand.

**Measures or Procedures of Approval of Related Transactions**

In case of the related transactions of the company and its subsidiaries with the persons who may have conflicts of interests, the Audit Committee shall provide the opinions regarding the needs of related transactions and the suitability of prices of such transactions by considering from the conditions in order to comply with the ordinary business operations in the industry, and comparing with the prices of outsiders or market price. If the Audit Committee is not proficient in considering the related transactions incurred, the Audit Committee shall provide independent experts to give the opinions regarding such transactions in order to be used for the decision of the Committee, Audit Committee or shareholders. The directors who have conflicts of interests shall have no right to vote for such transactions, and shall disclose such transaction on Notes to Financial Statements of the company and/ or subsidiaries.

**Policies and Trends of Future Related Transactions**

Regarding the related transactions incurred in the future, the directors shall follow the rules and regulations stipulated, and the directors shall not approve any transactions that such directors or persons who may have other conflicts of interests with the company and its subsidiaries, and shall not grant the power of attorney to others to act on behalf of themselves regarding such related transactions, and shall disclose such transactions to the Board of Directors and/ or subsidiaries for consideration. The company and/ or its subsidiaries shall follow the laws re-garding the securities and stock market, regulation, notification, order, or requirements of the Stock Exchange of Thailand, requirements for the disclosure of related transactions, and the receipt or sale of the company and its subsidiaries' properties, and the accounting standard regarding the disclosure of related persons or activities stipulated by Federation of Accounting Professions under the Royal Patronage of His Majesty the King

In case of the ordinary transactions, the company and/ or its subsidiaries shall identify the rules and guide-line according to the ordinary trading characteristics by referring from the proper, fair, reasonable, and transparent prices and conditions, and propose to the Audit Committee for approval of such criteria and guidelines.



In the future, the company and its subsidiaries have no policies to lend the money or pretty cash to persons who may have conflicts of interest and / or such related persons, except it compiles with the rules of the company or its subsidiaries regarding employee's welfare or with the rules regarding the power of approval or provision of financial assistance to the juristic persons that the company and its subsidiaries hold the shares according to the proposition of shareholding. In case that there are some necessary cases related to the business operations of the company or its subsidiaries and such cases may cause the company or subsidiaries to lend the money or pretty cash, the company and its subsidiaries shall follow the relevant requirements of the Securities Exchange Commission and / or Stock Exchange of Thailand.



# **Section 3**

## **Financial Statements**

### **( 31<sup>st</sup>, December 2022)**



## Board Of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for Akkhie Prakarn Public Company Limited's financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system. The Audit Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit Committee Report included in this annual report.

The Company's consolidated and separate financial statements were audited by Karin Audit Co., Ltd., an independent auditor. During the audit, the Company provided information and documents for auditors to examine and express opinions in compliance with auditing standards. Opinions of the Audit Committee are on the auditor's report shown in this annual report.

The Board of Directors renders the opinion that the Company's overall internal control system is satisfactory with capacity to reasonably build confidence and reliability in the Company's financial statement for the year ending 31<sup>st</sup>, December 2022 in line with generally accepted accounting standards with accuracy in compliance with related laws and regulations.

(Mr. Uthai Juntima)

Chairman of Board

(Mr. Vanchai Luengviriya)

President & CEO



### **Independent Auditor's Report**

To the Shareholders of Akkhie Prakarn Public Company Limited

### **Opinion**

I have audited the financial statements in which the equity method is applied and separate financial statements of Akkhie Prakarn Public Company Limited ("The Company"), which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at December 31, 2022, the related statement of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and 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 in which the Equity Method is Applied and Separate 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 Professional (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements in which the equity method is applied and separate 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 judgment, were of most significance in my audit of the financial statements in which the equity method is applied and separate financial statements of the current period. These matters were addressed in the context of my audit of the financial statements in which the equity method is applied and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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**Allowances for expected credit loss****Risk**

Under the Thai Financial Reporting Standard No. 9, the Group has required to measure the allowance for expected credit losses of trade receivables or contract assets under Thai Financial Reporting Standard No. 15, that do not maintain a significant financing element, using a simplified approach.

The management is required to make significant judgment in estimation of the expected credit losses with the reflection of an unbiased and probability-weighted outcome that a default occurring, time value of money and the reasonable and supportable information about past events, current conditions and forecasts of future economic conditions.

**Risk Responses**

My audit procedures responded to the above are as follows :

- Review policies and procedures to derive the allowance for expected credit loss estimate. Determining whether the policies and procedures for the estimation are incorporate with the requirements of TFRS 9 and properly approved by the management
- Obtain an understanding of the design of internal controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss
- Evaluate the design, implementation and performed operating effectiveness testing of key internal controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss
- Evaluate relevant inputs and assumptions used by management in each stage of the expected credit loss calculation by considering whether the inputs and assumptions appear reasonable, considering the historical loss experience and adjust this for current observable data and considering the relationship between those assumptions and forecast of reasonable and supportable future economic conditions.
- Test calculation of allowance for expected credit loss for a sample of models.
- Perform analysis of the allowance for expected credit loss by comparing to historical data and considering related macroeconomic factors.
- Test subsequent collection from receivables after the reporting period.
- Review the litigation report with respect to receivables and opinion of internal legal consultant of the Company including review the appropriate of collateral value.
- Review the adequacy of disclosures in note to financial statements.



**Other matter**

The financial statements in which the equity method is applied and separate financial statements for the year ended December 31, 2021, presented for comparative purpose, were audited by another auditor in the same firm as myself who expressed an unqualified opinion on those financial statement on February 25, 2022.

**Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report, but does not include the financial statements in which the equity method is applied and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements in which the equity method is applied and separate 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 in which the equity method is applied and separate 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 in which the equity method is applied and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, 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 in which the Equity Method is Applied and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in which the equity method is applied and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements in which the equity method is applied and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements in which the equity method is applied and separate 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.

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**Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and separate 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 in which the equity method is applied and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and separate 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 in which the equity method is applied and separate 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 in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- Obtain sufficient appropriate audit evidence regarding the financial information of equity - accounted investees of the Company to express an opinion on the financial statements in which the equity method is applied and separate financial statements. I am responsible for the direction, supervision and performance of the Company audit. I remain solely responsible for my audit opinion.

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 in which the equity method is applied and separate 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.

Mr. Wichian Proongpanish

Certified Public Accountant

Registration No. 5851

Karin Audit Company Limited

Bangkok

February 24, 2023



**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2022**

(Unit : Baht)					
Financial Statement					
in which the equity method is applied					
Separate Financial Statement					
Notes	2022	2021	2022	2021	
ASSETS					
Current assets					
Cash and cash equivalents	6	105,791,756	210,253,968	105,791,756	210,253,968
Trade and other current receivables - net	5,2,7	100,415,404	94,712,782	100,415,404	94,712,782
Current tax assets		5,057,883	2,714,087	5,057,883	2,714,087
Other current financial assets	9	100,000,000	-	100,000,000	-
Other current assets		3,102,683	2,204,788	3,102,683	2,204,788
Total current assets		314,367,726	309,885,625	314,367,726	309,885,625
Non - current assets					
Investment in associates	10	237,592,711	228,234,560	193,713,514	193,713,514
Restricted deposits with banks	8	22,552,914	22,463,437	22,552,914	22,463,437
Tools, additions to plant and equipment under operating right agreement - net	11	97,033,643	104,078,436	97,033,643	104,078,436
Right-of-use assets	12	35,217,095	40,781,914	35,217,095	40,781,914
Deferred tax assets	13	6,999,509	7,555,920	6,999,509	7,555,920
Other non - current assets		13,767,279	11,224,963	13,767,279	11,224,963
Total non - current assets		413,163,151	414,339,230	369,283,954	379,818,184
Total assets		727,530,877	724,224,855	683,651,680	689,703,809

The accompanying notes are an integral part of the financial statements.



AKKHIE PRAKARN PUBLIC COMPANY LIMITED  
STATEMENTS OF FINANCIAL POSITION (CONT.)  
AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Financial Statement			
		in which the equity method is applied		Separate Financial Statement	
		2022	2021	2022	2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Trade and other current payables	5.2,14	52,948,498	52,889,632	52,948,498	52,889,632
Current portion of lease liabilities	15	9,343,183	7,747,660	9,343,183	7,747,660
Current provisions for employee benefit	16	4,384,377	4,353,564	4,384,377	4,353,564
<b>Total current liabilities</b>		<b>66,676,058</b>	<b>64,990,856</b>	<b>66,676,058</b>	<b>64,990,856</b>
<b>Non - current liabilities</b>					
Lease liabilities - net of current portion	15	47,506,744	55,612,501	47,506,744	55,612,501
Non - current provisions for employee benefit	16	8,520,020	10,584,580	8,520,020	10,584,580
Other non - current liabilities		1,500,900	1,400,100	1,500,900	1,400,100
<b>Total non - current liabilities</b>		<b>57,527,664</b>	<b>67,597,181</b>	<b>57,527,664</b>	<b>67,597,181</b>
<b>Total liabilities</b>		<b>124,203,722</b>	<b>132,588,037</b>	<b>124,203,722</b>	<b>132,588,037</b>
<b>Shareholders' equity</b>					
<b>Share capital</b>					
<b>Authorized share capital</b>					
404,000,000 ordinary shares of Baht 0.50 each		202,000,000	202,000,000	202,000,000	202,000,000
<b>Issued and paid share capital</b>					
404,000,000 ordinary shares of Baht 0.50 each		202,000,000	202,000,000	202,000,000	202,000,000
Share premium		119,463,098	119,463,098	119,463,098	119,463,098
<b>Retained earnings</b>					
Appropriated - legal reserve		21,636,080	21,636,080	21,636,080	21,636,080
Unappropriated		260,227,977	248,537,640	216,348,780	214,016,594
<b>Total shareholders' equity</b>		<b>603,327,155</b>	<b>591,636,818</b>	<b>539,447,958</b>	<b>557,115,772</b>
<b>Total liabilities and shareholders' equity</b>		<b>727,530,877</b>	<b>724,224,855</b>	<b>663,651,680</b>	<b>689,703,809</b>

The accompanying notes are an integral part of the financial statements.



AKKHIE PRAKARN PUBLIC COMPANY LIMITED  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2022

		(Unit : Baht)			
		Financial Statement		Separate Financial Statement	
		in which the equity method is applied			
Notes		2022	2021	2022	2021
Services income	5.1,21	375,144,142	375,266,387	375,144,142	375,266,387
Cost of services	5.1	(293,447,781)	(288,557,858)	(293,447,781)	(288,557,858)
<b>Gross profit (loss)</b>		<b>81,696,361</b>	<b>86,708,529</b>	<b>81,696,361</b>	<b>86,708,529</b>
Other income	5.1	9,049,152	16,189,129	9,049,152	16,189,129
<b>Profit (loss) before expenses</b>		<b>90,745,513</b>	<b>102,897,658</b>	<b>90,745,513</b>	<b>102,897,658</b>
Service expenses		(6,136,348)	(5,720,026)	(6,136,348)	(5,720,026)
Administrative expenses		(36,602,831)	(31,702,809)	(36,602,831)	(31,702,809)
Management compensation	5.1	(17,852,013)	(18,164,040)	(17,852,013)	(18,164,040)
<b>Total expenses</b>		<b>(60,591,192)</b>	<b>(55,586,875)</b>	<b>(60,591,192)</b>	<b>(55,586,875)</b>
<b>Profit (loss) from operating</b>		<b>30,154,321</b>	<b>47,310,783</b>	<b>30,154,321</b>	<b>47,310,783</b>
Finance cost		(4,682,793)	(5,016,656)	(4,682,793)	(5,016,656)
Share of profit from investment in associates	10	9,358,151	13,377,619	-	-
<b>Profit (loss) before income tax expense</b>		<b>34,829,679</b>	<b>55,671,746</b>	<b>25,471,528</b>	<b>42,294,127</b>
Income tax (expense) income	20	(5,543,472)	(8,830,418)	(5,543,472)	(8,830,418)
<b>Net profit (loss) for the year</b>		<b>29,286,207</b>	<b>46,841,328</b>	<b>19,928,056</b>	<b>33,463,709</b>
<b>Other comprehensive income (expense) for the year</b>					
<b>Components of other comprehensive income</b>					
<b>that will not be reclassified to profit or loss subsequently :</b>					
Gains on remeasurements of defined benefit plan		2,603,399	-	2,603,399	-
<b>Total comprehensive income (expense) for the year</b>		<b>31,889,606</b>	<b>46,841,328</b>	<b>22,531,455</b>	<b>33,463,709</b>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share (Baht)		0.072	0.116	0.049	0.083
Weighted average number of ordinary shares (shares)		404,000,000	404,000,000	404,000,000	404,000,000

The accompanying notes are an integral part of the financial statements.



**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Financial Statement in which the equity method is applied							Unit : Baht
	Retained earnings			Other components of shareholders' equity			
	Issued and fully paid - up share capital	Premium on share capital	Appropriated - legal reserve	Unappropriated	Gain/ (loss) on re-measurements of defined benefit plans	Total other components of shareholders' equity	
Notes						Total	
Balance as at January 1, 2021	202,000,000	119,463,098	19,962,895	212,461,267	-	-	
Dividend payment	-	-	-	(9,291,770)	-	-	
Appropriated - legal reserve	-	-	1,673,185	(1,673,185)	-	-	
Total comprehensive income (expense) for the year	-	-	-	46,841,328	-	-	
Balance as at December 31, 2021	202,000,000	119,463,098	21,636,080	248,337,640	-	-	
Dividend payment	-	-	-	(20,199,269)	-	-	
Total comprehensive income (expense) for the year	-	-	-	29,286,207	2,603,399	2,603,399	
Transferred to retained earnings (loss)	-	-	-	2,603,399	(2,603,399)	(2,603,399)	
Balance as at December 31, 2022	202,000,000	119,463,098	21,636,080	260,227,977	-	-	
						603,271,55	

The accompanying notes are an integral part of the financial statements.



**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Separate Financial Statement							Unit : Baht
Retained earnings			Other components of shareholders' equity				
	Issued and fully paid - up share capital	Premium on share capital	Appropriated - legal reserve	Unappropriated	Gains (losses) on re-measurements of defined benefit plans	Total other components of shareholder's equity	Total
Notes							

The accompanying notes are an integral part of the financial statement.



AKKHIE PRAKARN PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Financial Statement			
	in which the equity method is applied		Separate Financial Statement	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expense	34,829,679	55,671,746	25,471,528	42,294,127
Adjustments for :				
Interest expense	4,512,518	4,812,865	4,512,518	4,812,865
Interest income	(475,598)	(221,108)	(475,598)	(221,108)
Trade and other current receivables (increase) decrease	(5,899,729)	20,636,976	(5,899,729)	20,636,976
Other current assets (increase) decrease	(897,893)	440,483	(897,893)	440,483
Other non - current assets (increase) decrease	(2,281,240)	4,010,909	(2,281,240)	4,010,909
Trade and other current payables increase (decrease)	58,866	(3,743,274)	58,866	(3,743,274)
Other non - current liabilities increase (decrease)	100,800	100,000	100,800	100,000
Provisions for employee benefit increase (decrease)	1,220,502	689,990	1,220,502	689,990
Depreciation and amortization	33,186,823	36,998,285	33,186,823	36,998,285
Expected credit loss	197,107	149,785	197,107	149,785
(Gain) loss on disposal of tools and equipment	(423,691)	(6,373,713)	(423,691)	(6,373,713)
Written - off withholding tax	20,892	-	20,892	-
Share of profit from investment in associates	(9,358,151)	(13,377,619)	-	-
<b>Total adjustments to reconcile profit (loss)</b>	<b>19,961,206</b>	<b>44,123,579</b>	<b>29,319,357</b>	<b>57,501,198</b>
<b>Net cash flows from (used in) operations</b>	<b>54,790,885</b>	<b>99,795,325</b>	<b>54,790,885</b>	<b>99,795,325</b>
Cash received from interest income	475,598	221,108	475,598	221,108
Cash received from tax refund	2,432,119	-	2,432,119	-
Cash paid for income tax expense	(10,695,794)	(11,683,700)	(10,695,794)	(11,683,700)
Cash paid for interest expense	(1,477,073)	(1,424,546)	(1,477,073)	(1,424,546)
Cash paid for employee benefit	-	(119,104)	-	(119,104)
<b>Net cash flows from (used in) operating activities</b>	<b>45,525,735</b>	<b>86,789,083</b>	<b>45,525,735</b>	<b>86,789,083</b>
<b>Cash flows from investing activities</b>				
Restricted deposits with banks (increase) decrease	(89,478)	(44,390)	(89,478)	(44,390)
Other current financial assets (increase) decrease	(100,000,000)	-	(100,000,000)	-
Cash received from disposal of tools, additions to plant and equipment under operating right agreement	535,607	6,594,206	535,607	6,594,206
Payments for purchase of tools, additions to plant and equipment under operating right agreement	(19,314,807)	(21,920,272)	(19,314,807)	(21,920,272)
<b>Net cash flows from (used in) investing activities</b>	<b>(118,468,678)</b>	<b>(15,370,456)</b>	<b>(118,468,678)</b>	<b>(15,370,456)</b>

The accompanying notes are an integral part of the financial statements.





AKKHIE PRAKARN PUBLIC COMPANY LIMITED  
STATEMENTS OF CASH FLOWS (CONT.)  
FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Financial Statement in which the equity		Separate Financial Statement	
	method is applied			
	2022	2021	2022	2021
<b>Cash flows from financing activities</b>				
Dividend payment	(20,199,269)	(9,291,770)	(20,199,269)	(9,291,770)
Payment of lease payable	(11,320,000)	(10,210,000)	(11,320,000)	(10,210,000)
<b>Net cash flows from (used in) financing activities</b>	<b>(31,519,269)</b>	<b>(19,501,770)</b>	<b>(31,519,269)</b>	<b>(19,501,770)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(104,462,212)</b>	<b>51,916,857</b>	<b>(104,462,212)</b>	<b>51,916,857</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>210,253,968</b>	<b>158,337,111</b>	<b>210,253,968</b>	<b>158,337,111</b>
<b>Cash and cash equivalents at ending of year</b>	<b>105,791,756</b>	<b>210,253,968</b>	<b>105,791,756</b>	<b>210,253,968</b>
<b>Supplemental disclosures of cash flows information :</b>				
Non-cash transactions				
- Account receivables from disposal asset to related party	-	640,000	-	640,000

The accompanying notes are an integral part of the financial statements.





AKKHIE PRAKARN PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

**1. General information**

**1.1 Company information**

Akkhie Prakarn Public Company Limited was incorporated as a public company in Thailand. The Company is engaged in providing services on incinerating and destroying industrial wastes, sewage and unused materials, including the improving of quality of industrial wastes, sewage and unused materials to recycle them to substituted energy and raw materials. The Company is 51.18% subsidiary of Better World Green Public Company Limited.

**1.2 The agreement with the Department of Industrial Works to operate the Industrial Waste Management Center (Industrial Waste Incinerator)**

On February 11, 2008, the Company entered into an exclusive right agreement with the Department of Industrial Works whereby the Company is granted with the right to operate the Industrial Waste Management Center (Industrial Waste Incinerator) at Samutprakarn Province. Under this agreement, the Company has an obligation to transfer all additional assets to building improvement, machinery or other systems to the Department of Industrial Works without any claim for compensation. Those assets are presented as "Additions to plant and equipment under operating right agreement" in the statement of financial position.

The operating right agreement is for initial period of 20 years, with an option for the company to ask for renewal for another 10 years depending on the consideration of the Department of Industrial Works. The Company is obliged to comply with various conditions and to pay compensation in accordance with the agreement. Such compensation is based on a percentage of quarterly revenues from services provided under the agreement and annual benefit compensation which must not be less than 10 percent of revenues for each year. The minimum compensation for every 5 years over the term of the agreement must not be less than Baht 300 million.

The Company commenced its commercial operations on August 11, 2008.

**2. The principal accounting policies applied in the preparation of these financial statements are set out below:**

**2.1 Basis for the financial preparation**

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.



**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

**2.2 New financial reporting standards**

**A. Financial reporting standards that became effective in the current year**

During the year, the Company has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 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.

**B. Financial reporting standard that will become effective for fiscal years beginning on or after January 1, 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.

## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

**3. Significant accounting policies****3.1 Revenues and expenses recognition**

Revenue from service is recognized as revenue when the service is rendered based on the stage of completion which requires additional judgment in determining the timing of the transfer of control - at a point in time or over time.

Interest income is recognized as interest on accrual basis on the effective rate method.

Other income and expenses are recognized on an accrual basis.

**3.2 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.

**3.3 Account receivables**

Accounts receivables are presented at net realizable value.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at its present value.

The Company applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

**3.4 Related parties**

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals 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 directing the Company's operations.



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

**3.5 Investment in associated company**

Investments in associates in the financial statements are recorded by using the equity method.

**3.6 Tools, additions to plant and equipment under operating right agreement**Own assets

Equipment are recorded at costs. Costs are measured by the cash or cash equivalents prices that obtain the assets to bring them to the location or condition necessary for their intended use. Equipment are presented in the statement of financial position at cost less accumulated depreciation and allowance for loss on impairment (if any).

Additions to plant and equipment under operating right agreement

Additions to plant and equipment under operating right agreement are recorded at costs. Costs are measured by the cash or cash equivalents prices that obtain the assets to bring them to the location or condition necessary for intended use. Additions to plant and equipment under operating right agreement are presented in the statement of financial position at cost less accumulated depreciation and allowance for loss on impairment (if any). The Company must transfer the rights on factory building improvement which the Company repairs and maintenance or constructs on the area of Industrial Waste Management Center (Industrial Waste Incinerator) to the owner, the Department of Industrial Works, at the date it repairs and maintenances or when the construction is completed.

Depreciation

The Company depreciates its equipment by the straight - line method, over the estimated useful lives of the assets based on the segregate components of assets, if each part is significant with different useful lives. Estimated useful lives of the assets are as follows:

	Years
Land improvement	3
Factory building improvement	5-20
Machinery and equipment	5-15
Fixtures and office equipment	5
Computer and accessories	5-10

No depreciation is made for work in process and machinery under installation.

Expenditures for addition, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.





**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

**3.7 Leases**

**The Company as a lease**

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 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 recognizes right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

**a) Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

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.

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.

**b) Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted 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 modification or reassessment.

**c) Short-term leases and Leases of low-value assets**

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.



AKKHIE PRAKARN PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

**3.8 Impairment of assets**

The Company has determined the impairment of assets if there is indicator that the carrying amount of asset exceeds its recoverable amount.

In case that the book value of an asset exceeds its net realizable value, the Company will recognize as impairment loss in the statements of income for the period. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment.

**3.9 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

• Defined contribution plans

The Company and their employees have jointly established a provident fund. The fund is monthly contributed by the employees and 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

The Company have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The treat these severance payment obligations as a defined benefit plan.

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.

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond.



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 3.10 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

**3.11 Basic earnings (loss) per share**

Basic earnings (loss) per share are determined by dividing the profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

**3.12 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 trade receivables.

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"), and 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 at FVTPL

Opened – End Fund and derivative 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.

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



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

EIR amortisation process. In determining amortised cost, the Company takes into account any 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 neither transferred nor retained substantially all the risks and rewards of the asset, but 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 the statement of profit or loss.

Impairment of financial assets

The Company measures expected credit losses (ECLs) that result from default events that are possible within the next 12-months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment. Impairment loss is recognized in profit or loss under the account. "Administrative expenses"

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.



**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

**3.13 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 apply 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 period, 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 period that are measured at fair value on a recurring basis.

**4. Significant accounting judgments and estimates**

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

**Impairment of property, plant and equipment**

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.

# AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

### Impairment of investments

The Company treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

### 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.

### Post-employment benefits under defined benefit plans

The post-employment benefits and other long-term employee benefit liabilities are determined using actuarial valuations. The actuarial valuation involves making assumptions such as discount rates, future salary increases, mortality rates and staff turnover rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

## 5. Transactions with related person and parties

Portion of accounting transactions arose from transactions with below related parties, which are linked to the Company by common shareholders or directors.

<u>Companies</u>	<u>Relationship</u>
Better World Green Public Company Limited	Parent company
Better Waste Care Company Limited	Related company (Common shareholders and/or directors)
Better World Transport Company Limited	Related company (Common shareholders and/or directors)
Be Green Development Company Limited	Related company (Common shareholders and/or directors)
Better Me Company Limited	Related company (Common shareholders and/or directors)
Circular Camp Company Limited	Related company (Common shareholders and/or directors)
Earth Tech Environment Public Company Limited	Associated company
Ava Grand Energy Company Limited	Indirectly holding shares through associated company
Siri Lapha Power Company Limited	Indirectly holding shares through associated company
Link 88 Power Company Limited	Indirectly holding shares through associated company
Earth Engineer and Construction Company Limited	Indirectly holding shares through associated company



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

<u>Companies</u>	<u>Relationship</u>
Recovery House Company Limited	Indirectly holding shares through associated company
Get Green Power Company Limited	Indirectly holding shares through associated company
Phan Saeng Dao Company Limited	Indirectly holding shares through associated company
Green Scene Energy Company Limited	Indirectly holding shares through associated company
The Prao Power Company Limited	Indirectly holding shares through associated company
Thorsaeng Energy Company Limited	Indirectly holding shares through associated company
Me Preme Energy Company Limited	Indirectly holding shares through associated company
Ban Saeng Kan Company Limited	Indirectly holding shares through associated company
Proudkwan Power Company Limited	Indirectly holding shares through associated company
Meekwan Power Company Limited	Indirectly holding shares through associated company
Phraofa Power Company Limited	Indirectly holding shares through associated company
Khiang Kan Energy Company Limited	Indirectly holding shares through associated company
Green Care Energy Company Limited	Indirectly holding shares through associated company

During the year, the Company had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related.

**5.1 Significant business transactions with related companies for the year ended December 31, 2022 and 2021 are as follows:**

	<u>Pricing</u>	<u>(Unit : Thousand Baht)</u>	
	<u>Policy</u>	<u>2022</u>	<u>2021</u>
<b>Incomes</b>			
<b>Incineration income</b>	Market Price		
Parent company		19,141	15,355
Related companies		57,347	67,136
Total		<u>76,488</u>	<u>82,491</u>



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

	Pricing	(Unit : Thousand Baht)	
	Policy	2022	2021
<b>Industrial waste transportation income</b>	Market Price		
Parent company		1,970	2,560
Related companies		10,700	13,438
Total		12,670	15,998
<b>Transportation income</b>	Market Price		
Parent company		2,129	3,053
Related companies		6,836	7,721
Total		8,965	10,774
<b>Income from documentation management</b>	Contract Price		
Related companies		240	240
<b>Marketing operation income</b>	Contract Price		
Parent company		-	400
<b>Revenue from disposal of assets</b>	Contract Price		
Parent company		-	140
Related companies		-	4,696
Total		-	4,836
<b>Other income</b>	Market Price		
Related companies		841	3,787
<b>Expenses</b>			
<b>Cost of industrial waste landfill</b>	Market Price		
Parent company		11,194	11,827





## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

	Pricing	(Unit : Thousand Baht)	
	Policy	2022	2021
<b>Cost of industrial water retreat</b>	Contract Price		
Related companies		5,149	16,113
<b>Industrial waste transportation expense</b>	Market Price		
Parent company		24	-
Related companies		127	629
Total		151	629
<b>Marketing operation expense</b>	Contract Price		
Related companies		961	1,889
<b>Other expenses</b>	Market Price		
Parent company		5	-
Associated company		-	231
Total		5	231
<b>Purchase of asset</b>	Contract Price		
Parent company		300	-
<b>Dividend payment</b>	Right to		
Parent company	Receive Dividend	10,339	4,756
<b>Management compensation</b>			
Current employment benefits		17,314	17,376
Post - employment benefits		538	788
Total		17,852	18,164



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

- 5.2 Significant balances of the accounts between the Company and related companies in statement of financial position as at December 31, 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	2022	2021
<b>Trade and other current receivables with related companies</b>		
<u>Trade receivables</u>		
Parent company	7,369	6,201
Related companies	18,284	22,431
Total	25,653	28,632
<u>Other current receivables</u>		
Parent company	-	150
Related companies	1	535
Total	1	685
Total trade and other current receivables - related companies	25,654	29,317
<b>The aging of trade receivables with related companies are as follows:</b>		
Not yet due	16,702	19,463
Past due		
Not over 3 months	8,951	9,169
Total	25,653	28,632
<b>Trade payables - related companies</b>		
Parent company	3,897	2,169
Related companies	5,132	3,417
Total	9,029	5,586



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 6. Cash and cash equivalents

	(Unit : Thousand Baht)	
	2022	2021
Cash	80	80
Savings accounts	105,672	210,134
Current accounts	40	40
Total	105,792	210,254

## 7. Trade and other current receivables - net

	(Unit : Thousand Baht)	
	2022	2021
Trade and other current receivables - related companies (Note 5.2)	25,654	29,317
Trade receivables - other companies	46,546	43,247
Unbilled - trade receivables	22,439	14,171
Post - dated cheques receivables	1,848	3,455
Less allowances for expected credit loss	(460)	(263)
Trade receivables - net	96,027	89,927
Other current receivables	4,388	4,786
Total trade and other current receivables - net	100,415	94,713

The aging of trade receivables - other companies are as follows:

Not yet due	43,224	40,923
Past due		
Not over 3 months	2,420	1,860
3 - 6 months	172	116
6 - 12 months	267	348
Over 12 months	463	-
Total	46,546	43,247





## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

Movements of allowances for expected credit loss during the year are as follows:

	(Unit : Thousand Baht)	
	2022	2021
Beginning balance	(263)	(113)
(Increase) Decrease	(197)	(150)
Ending balance	(460)	(263)

## 8. Restricted deposits with banks

As at December 31, 2022 and 2021, a fixed deposit of Baht 22.55 million and Baht 22.46 million, of the Company is used as collateral for bank guarantee issued to government agencies.

## 9. Other current financial assets

	(Unit : Thousand Baht)	
	2022	2021
Fixed deposit over six months	100,000	-

## 10. Investment in associated company

## 10.1 Movements of investment in associated company for the year ended December 31, 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	Financial statement in the equity method	Separate financial statement at cost method
As at January 1, 2021	214,857	193,714
Purchases / Increase investment	-	-
Share of profit of an associated company	13,378	-
As at December 31, 2021	228,235	193,714
Purchases / Increase investment	-	-
Share of profit of an associated company	9,358	-
As at December 31, 2022	237,593	193,714



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 10.2 Details of investment in associated company are as follows:

As at December 31, 2022					
Company Name	Type of business	Ownership of portion (Percentage)	(Unit : Thousand Baht)		
			Paid share capital	Investment	
				The equity method	Separate
Earth Tech Environment Public Company Limited	Generation and distribution of electricity from industrial waste	7.14	1,120,000	237,593	193,714
As at December 31, 2021					
Company Name	Type of business	Ownership of portion (Percentage)	(Unit : Thousand Baht)		
			Paid share capital	Investment	
				The equity method	Separate
Earth Tech Environment Public Company Limited	Generation and distribution of electricity from industrial waste	7.14	1,120,000	228,235	193,714



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

The significant financial information of associated company are summarized below:

(Unit : Thousand Baht)					
	Paid-up share capital as at	Total assets as at	Total liabilities as at	Total revenue for the year ended	Earning for the year ended
Company name	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022
Earth Tech Environment Public Company Limited	1,120,000	4,551,554	1,652,445	782,625	131,067

(Unit : Thousand Baht)					
	Paid-up share capital as at	Total assets as at	Total liabilities as at	Total revenue for the year ended	Earning for the year ended
Company name	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021
Earth Tech Environment Public Company Limited	1,120,000	3,969,620	1,207,155	749,156	187,362

## 11. Tools, additions to plant and equipment under operating right agreement - net

(Unit : Thousand Baht)		
	2022	2021
Tools - net (Note 11.1)	25,164	18,785
Additions to plant and equipment under operating right agreement - net (Note 11.2)	71,870	85,293
Total	97,034	104,078



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 11.1 Tools - net

	(Unit : Thousand Baht)				
	Balance January 1, 2022	Additions	Deductions	Transfer in (out)	Balance December 31, 2022
<u>Cost</u>					
Land improvement	-	3,065	-	-	3,065
Fixtures and office equipment	3,193	470	(35)	-	3,628
Computer and equipment	6,512	1,101	(380)	-	7,233
Tools	119,214	875	(4,260)	6,725	122,554
Vehicles	134,485	6,120	(5,919)	-	134,686
Work in process	3,925	2,800	-	(6,725)	-
Total	267,329	14,431	(10,594)	-	271,166
<u>Accumulated depreciation</u>					
Land improvement	-	(772)	-	-	(772)
Fixtures and office equipment	(2,546)	(307)	35	-	(2,818)
Computer and equipment	(4,415)	(532)	379	-	(4,568)
Tools	(110,391)	(4,398)	4,229	-	(110,560)
Vehicles	(131,192)	(2,011)	5,919	-	(127,284)
Total	(248,544)	(8,020)	10,562	-	(246,002)
Net	18,785				25,164



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

	(Unit : Thousand Baht)				
	Balance January 1, 2021	Additions	Deductions	Transfer in (out)	Balance December 31, 2021
<b>Cost</b>					
Fixtures and office equipment	3,141	341	(289)	-	3,193
Computer and equipment	6,295	553	(336)	-	6,512
Tools	127,521	891	(12,412)	3,214	119,214
Vehicles	150,919	1,749	(18,183)	-	134,485
Work in process	-	3,925	-	-	3,925
<b>Total</b>	<b>287,876</b>	<b>7,459</b>	<b>(31,220)</b>	<b>3,214</b>	<b>267,329</b>
<b>Accumulated depreciation</b>					
Fixtures and office equipment	(2,546)	(289)	289	-	(2,546)
Computer and equipment	(4,281)	(468)	334	-	(4,415)
Tools	(116,963)	(5,840)	12,412	-	(110,391)
Vehicles	(142,670)	(6,596)	18,074	-	(131,192)
<b>Total</b>	<b>(266,460)</b>	<b>(13,193)</b>	<b>31,109</b>	<b>-</b>	<b>(248,544)</b>
<b>Net</b>	<b>21,416</b>				<b>18,785</b>

## Allocate depreciation for the year 2022

Cost of service	5,676
Administrative expenses	2,344
Depreciation for the year	<u>8,020</u>

## Allocate depreciation for the year 2021

Cost of service	11,734
Administrative expenses	1,459
Depreciation for the year	<u>13,193</u>

As at December 31, 2022 and 2021, a portion of property with historical costs of Baht 228.25 million and Baht 216.25 million, respectively, are in use but fully depreciated.



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 11.2 Additions to plant and equipment under operation right agreement - net

	(Unit : Thousand Baht)				
	Balance				Balance
	January			Transfer	December
	1, 2022	Additions	Deductions	in (out)	31, 2022
<u>Cost</u>					
Factory building improvement	32,748	-	-	7,848	40,596
Office building improvement	2,020	-	-	-	2,020
Machinery and equipment	132,687	54	(1,043)	580	132,278
Office equipment	35	26	-	-	61
Construction in progress	4,424	4,804	-	(8,428)	800
Total	171,914	4,884	(1,043)	-	175,755
<u>Accumulated depreciation</u>					
Factory building improvement	(14,597)	(4,072)	-	-	(18,669)
Office building improvement	(853)	(221)	-	-	(1,074)
Machinery and equipment	(71,136)	(13,530)	564	-	(84,102)
Office equipment	(35)	(5)	-	-	(40)
Total	(86,621)	(17,828)	564	-	(103,885)
Net	85,293				71,870

**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**
**NOTES TO FINANCIAL STATEMENTS**
**DECEMBER 31, 2022**

	(Unit : Thousand Baht)				
	Balance January 1, 2021	Additions	Deductions	Transfer in (out)	Balance December 31, 2021
<b>Cost</b>					
Factory building improvement	28,949	-	-	3,799	32,748
Office building improvement	2,020	-	-	-	2,020
Machinery and equipment	128,364	-	(9,008)	13,331	132,687
Office equipment	35	-	-	-	35
Construction in progress	10,307	14,461	-	(20,344)	4,424
<b>Total</b>	<b>169,675</b>	<b>14,461</b>	<b>(9,008)</b>	<b>(3,214)</b>	<b>171,914</b>
<b>Accumulated depreciation</b>					
Factory building improvement	(11,843)	(2,754)	-	-	(14,597)
Office building improvement	(631)	(222)	-	-	(853)
Machinery and equipment	(65,362)	(14,032)	8,258	-	(71,136)
Office equipment	(35)	-	-	-	(35)
<b>Total</b>	<b>(77,871)</b>	<b>(17,008)</b>	<b>8,258</b>	<b>-</b>	<b>(86,621)</b>
<b>Net</b>	<b>91,804</b>				<b>85,293</b>

**Allocate depreciation for the year 2022**

Cost of service	17,602
Administrative expenses	226
<b>Depreciation for the year</b>	<b>17,828</b>

**Allocate depreciation for the year 2021**

Cost of service	16,786
Administrative expenses	222
<b>Depreciation for the year</b>	<b>17,008</b>

The Company must transfer all factory building and improvement with construction on the area of Industrial Waste Management Center (Industrial Waste Incinerator) to the owner, the Department of Industrial Works, when the operating right expires. The Company therefore, depreciates these assets over the remaining term of the operating agreement. As at the date of TFRS 16 adoption, the Company has classified the assets as right-of-use assets.



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

As at December 31, 2022 and 2021, a portion of property with historical costs of Baht 17.29 million and Baht 17.29 million, respectively, are in use but fully depreciated.

## 12. Right-of-use assets

Movements of Right-of-use assets for the year end December 31, 2022 and 2021 are summarized below :

	(Unit : Thousand Baht)
Net book value as at January 1, 2021	47,579
<u>Less Depreciation for the year :</u>	
- Right to proceed with the administration and operation of the industrial waste management center (Industrial waste incinerator)	(6,797)
Net book value as at December 31, 2021	40,782
Additions	1,774
<u>Less Depreciation for the year :</u>	
- Right to proceed with the administration and operation of the industrial waste management center (Industrial waste incinerator)	(6,797)
- Land lease agreement	(542)
Net book value as at December 31, 2022	35,217

The right-of-use assets classified based on categories of assets below :

	(Unit : Thousand Baht)	
	2022	2021
- Right to proceed with the administration and operation of the industrial waste management center (Industrial waste incinerator)	33,985	40,782
- Land lease agreement	1,232	-
Total Right-of-use assets	35,217	40,782





## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 13. Deferred tax assets

As at December 31, 2022 and 2021, the components of deferred tax assets are as follows:

	(Unit : Thousand Baht)	
	2022	2021
Total	7,000	7,556
Offset of tax	-	-
Net deferred tax assets	7,000	7,556

Movements of total deferred tax assets and liabilities during the year are as follows:

	(Unit : Thousand Baht)				
	(Charged) / credited to:				
	Other comprehensive income				
	January 1, 2022	Profit / (loss)	(expense)	Equity	December 31, 2022
<b>Deferred tax assets</b>					
Allowances for expected credit loss	53	39	-	-	92
(Assets) liabilities - annual compensation expenses under operating right agreement	4,515	(189)	-	-	4,326
Provisions for employee benefits	2,988	244	(650)	-	2,582
Total	7,556	94	(650)	-	7,000



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

	(Unit : Thousand Baht)			
	(Charged) / credited to:			
	Other comprehensive income			
	January 1, 2021	Profit / (loss)	income (expense)	Equity
				December 31, 2021
<b>Deferred tax assets</b>				
Allowances for expected credit loss	23	30	-	-
(Assets) liabilities - annual compensation expenses under operating right agreement	4,520	(5)	-	-
Provisions for employee benefits	2,874	114	-	-
<b>Total</b>	<b>7,417</b>	<b>139</b>	<b>-</b>	<b>-</b>

## 14. Trade and other current payables

As at December 31, 2022 and 2021, Trade and other current payables of the Company are as follows:

	(Unit : Thousand Baht)	
	2022	2021
Trade payables - related companies (Note 5.2)	9,029	5,586
Trade payables - other companies	14,206	17,234
Other current payables :		
Accrued expenses	22,153	23,837
Revenue department payables	1,906	1,203
Other	5,654	5,030
<b>Total trade and other current payables - net</b>	<b>52,948</b>	<b>52,890</b>



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 15. Lease liabilities

	(Unit : Thousand Baht)	
	2022	2021
Lease liabilities	64,640	74,160
Less deferred interest	(7,790)	(10,800)
Net	56,850	63,360
Less due within 1 year	(9,343)	(7,747)
Lease liabilities – net from due within 1 year	47,507	55,613

The Company entered into a contract to excise the right to manage and operate industrial waste management centers (Industrial waste incinerator) to use in the operations of the business, the remaining period of the contract is approximately 5 years (Note 1.2).

## 16. Provisions for employee benefit

An independent actuary carried out an evaluation of the Company's obligations for employee's long - term benefits using the projected unit credit method. The Company has provided the provision for employee's long - term benefits for the year 2022 and 2021, as follows:

	(Unit : Thousand Baht)	
	2022	2021
Current provisions for employee benefit	4,384	4,354
Non-current provisions for employee benefit	8,520	10,585
Total provisions for employee benefit	12,904	14,939

	(Unit : Thousand Baht)	
	2022	2021
Provisions for employee benefits - beginning	14,939	14,367
Employee benefit expenses :		
Current service costs	1,050	1,340
Interest on obligation	170	205
Past service cost	-	-
Actuarial (gains) loss	(3,255)	-
Reduced liabilities from employee retirement and resignation	-	(973)
Provisions for employee benefits - ending	12,904	14,939



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

Principal actuarial assumptions at the reporting date (Actuarial basis)

	2022	2021
Discount rate (%)	2.63	1.35
Future salary increase (%)	3.70	5.52
Retirement age (years old)	55	55

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at December 31, 2022 and 2021 are summarised below:

	(Unit : Thousand Baht)	
	December 31, 2022	
Assumptions that affect	Increase rate	Decrease rate
Discount rate (0.50 percent)	(349)	366
Future salary increase (0.50 percent)	348	(335)
Turnover Rate (0.50 percent)	(214)	227

	(Unit : Thousand Baht)	
	December 31, 2021	
Assumptions that affect	Increase rate	Decrease rate
Discount rate (0.50 percent)	(504)	534
Future salary increase (0.50 percent)	541	(514)
Turnover Rate (0.50 percent)	(364)	391

The maturity analyses of undiscounted cash flows of benefit payments as at December 31, 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	2022	2021
Within 1 year	4,384	4,354
Within 2-5 years	3,095	1,954
Within 6-10 years	9,997	12,159
Within 11-15 years	3,029	4,662



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 17. Legal reserve

According to the Public Companies Act, the Company has appropriated its reserve as a legal reserve not less than 5% of its annual net profit, less any accumulated loss brought forward, until the reserve reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

## 18. Dividend payment

On April 26, 2022, the Shareholder's meeting passed a resolution to approve the payment of dividend from net income after tax of the 2021 annual financial performance at the rate of Baht 0.05 per share for 404,000,000 shares totaling amount of Baht 20.20 million and the Company have already paid on May 25, 2022.

## 19. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The one main reportable operating segment of the Company is engaged in providing services on incinerating single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

## 20. Income tax expenses

Income tax expenses for the years ended December 31, 2022 and 2021, are as follows:

	(Unit : Thousand Baht)	
	2022	2021
<b>Income tax:</b>		
Income tax for the year	5,638	8,969
<b>Deferred tax:</b>		
Income tax expense relating to origination and reversal of temporary differences	(95)	(139)
Income tax expense in statements of comprehensive income	<u>5,543</u>	<u>8,830</u>



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

Reconciliation of effective tax rate

(Unit : Thousand Baht)					
	Rate	The Financial Statements in			
	(%)	Equity Method		Separate Financial Statement	
		2022	2021	2022	2021
Profit before income tax expense		34,830	55,672	25,472	42,294
Income tax using the Thai corporation tax rate	20	6,966	11,134	5,094	8,459
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit - net		544	510	544	510
Share of profit from investment on associated company		(1,872)	(2,675)	-	-
Total		5,638	8,969	5,638	8,969

**21. Services income**

Service income for the years ended December 31, 2022 and 2021 are as follows:

(Unit : Thousand Baht)		
	2022	2021
Incineration income	365,572	362,481
Marketing operation income	607	2,012
Transportation income	8,965	10,773
	375,144	375,266



## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

## 22. Expenses by nature

	(Unit : Thousand Baht)	
	2022	2021
Energy fuels	50,767	43,685
Salaries, wages, and other employee benefits	87,100	83,767
Depreciation and amortization	33,187	36,998
Compensation under operating right agreement	30,011	29,683
Repair expenses	48,728	36,867
Gasoline expenses	26,237	20,661
Supplies expenses	22,978	23,584
Utilities expenses	15,104	17,151
Industrial waste expenses	19,274	31,507

## 23. Commitments

23.1 The Company is responsible for establishing the Environmental Upkeep Fund by apportion the money to the Fund on the annual basis of Baht 0.10 million, totaling Baht 2 million over the term of the agreement. Up to December 31, 2022 the Company has made the deposits to a reserve account with a bank totaling Baht 1.53 million.

23.2 The Company has entered into a Natural Gas Purchase Agreement with a supply company. The agreement term is 2 years, starting from May 1, 2018 to April 30, 2020. Under this agreement, the Company has to purchase the natural gas at the minimum level as stipulated in the agreement. On May 21, 2020 The Company has entered into a memorandum No.1, extended the agreement period to 9 years, ending on April 30, 2027.

23.3 Commitment to the subcontractor and service are in amount of Baht 4.91 million.

## 24. Financial instruments

## 24.1 Financial risk management and policies

The Company is exposed to a variety of financial risks, including credit risk, market risk (including interest rate risk) and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses derivative instruments to hedge certain exposures.





AKKHIE PRAKARN PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

**Credit risk**

Credit risk is the risk of financial losses if a customer or the counterparty fails to meet its obligations. However, the Company have a policy to enter into financial instruments with credit worthy counterparties, therefore the Company do not anticipate material losses from their debt collection. The Company adequately provided expected credit loss.

**Interest rate risk**

Interest rate risk incurs from the future interest rate instability, which may affect the Company operating result and cash flow. The Company also incurs interest rate risk from investment in financial institutes, restricted deposits with banks and lease liabilities.

Since the financial assets and liabilities are held primarily in short - term and have fixed interest rates in relation with the current market interest rate, the Company has not used financial derivative to protect against such risk.

As at December 31, 2022 and 2021, significant interest-bearing 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)						
	Financial Statement in which the equity method is applied / Separate						
	December 31, 2022						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating Interest rate	Non- interest bearing	Total	Interest rate (% per annum.)
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	105,672	120	105,792	0.150-0.350
Fixed deposits	100,000	-	-	-	-	100,000	0.250-0.300
Restricted bank deposits	-	-	-	22,553	-	22,553	0.150
	100,000	-	-	128,225	120	228,345	
<b>Financial liabilities</b>							
Lease liabilities	9,343	47,507	-	-	-	56,850	1.447-4.636
	9,343	47,507	-	-	-	56,850	





## AKKHIE PRAKARN PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2022

(Unit : Thousand Baht)						
Financial Statement in which the equity method is applied/ Separate						
December 31, 2021						
	Fixed interest rates			Floating Interest rate	Non- interest bearing	Total
	Within 1 year	1-5 years	Over 5 years			
						Interest rate (% per annum)
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	210,134	120	210,254
Restricted bank deposits	-	-	-	22,463	-	22,463
	-	-	-	232,597	120	232,717
<b>Financial liabilities</b>						
Lease liabilities	7,747	55,613	-	-	-	63,360
	7,747	55,613	-	-	-	63,360

## 24.2 Fair values

The fair value of the following financial assets and liabilities approximates their book value.

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, Trade and other current receivables, Trade, and other current payables, their carrying amounts in the statement of financial position approximate their fair values.
- For restricted deposits with banks with carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair values.

The carrying amounts of financial assets and liabilities of the Company are close to their book values and measured at amortized costs.

## 25. Bank guarantees

The Company had letters of guarantee of Baht 77.34 million issued by banks on behalf of the Company. The letters of guarantee are collateralized by the Company's deposits with financial institutions.

## 26. Capital management

The primary objective of the Company's capital management is to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2022, debt to equity ratio in the financial statements is 0.22 : 1.00



**AKKHIE PRAKARN PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

**27. Subsequent events**

The Board of Directors Meeting of the Company No. 1/2023 held on February 24, 2023, resolved to approve the issuance and offering of the Company's debentures in the amount of up to Baht 2,000 million.

**28. Reclassification**

Certain amounts in the financial statements for the year ended December 31, 2021, have been reclassified to conform to the current period, which no effect on net income or shareholders' equity previously reported.

**29. Financial information approval**

These financial statements were authorized for issue by the Company's Board of Director on February 24, 2023.



# Attachment

**Attachment 1** Details of Directors, Executives, Controlling Persons, the person taking the highest responsibility in finance and accounting and the person supervising accounting and Company Secretary



Name-Surname	Mr.Uthai Juntima
Current Position	Chairman of the Board
Age	75 years

Date of Appointment : 21<sup>st</sup>, November 2011

% Shareholding Company (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

**Education**

- Master of Public Administration (MBA), National Institute of Development Administration (NIDA)
- Diploma, National Defence College, (The National Defence Course Class 4414)
- Director Certification Program (DCP)
- Director Accreditation Program (DAP)
- Role of the Chairman Program (RCP 33/2014)
- Ethical Leadership Program (ELP 14/2018)

Holding a Position of Director : -None-

Holding a position of Director of non-listed Company : -None-

**Experience**

Governor of Industrial Estate Authority of Thailand

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : -None-

Family Relation with Other Directors : -None-

Dispute in the 10 Preceding Years : -None-



Name-Surname	Mr. Teerasak Pongpanakrai
Current Position	Vice Chairman of Board
Age	78 years
Nationality	Thai

Date of Appointment : 21<sup>st</sup>, November 2011

% Shareholding Company (as at December 31<sup>st</sup>, 2022)

- Held personally : 0.0005% (2,000 shares) (No shareholding change in 2022)
- Held by spouse or minor children : - None -

#### Education

- Master of Engineering, (Sanitation) Chulalongkorn University
- Being Trained DAP Program

Holding a Position of Director : - None -

Holding a position of Director of non-listed Company : - None -

#### Experience

- Hazardous academic experts of Department of industrial works
- Acting-Director Department of Waste management Industry Department of Industrial Works.

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : - None -

Family Relationship among Directors and Executives : - None -

Dispute in the 10 Preceding Years : - None -



Name-Surname Mr. Vanchai Luengviriya

Current Position President & CEO

Age 59 years

Nationality Thai

Date of Appointment : 21<sup>st</sup>, November 2011

% Shareholding Company (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- Bachelor of Business Administration General Management, Ramkhamhaeng University
- Being Trained DAP Program
- Being Trained Anti-Corruption : The Practical Guide (ACPG 21/2015)

Holding a Position of Director : - None –

Holding a position of Director of non-listed Company : -None-

#### Experience

- Managing Director, Better World Transport Co.,Ltd.

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : -None-

Family Relation with Other Directors : Being a brother, Mr. Suwat Luengviriya

Dispute in the 10 Preceding Years : -None-



Name-Surname	Mr.Suwat Luengviriya
Current Position	Director
Age	62 years
Nationality	Thai

Date of Appointment : 21<sup>st</sup> ,November 2011

(%) shareholding (as at December 31<sup>st</sup> , 2022)

- Held personally : 0.2967% (1,198,630 shares) (No shareholding change in 2022)
- Held by spouse or minor children : -None-

#### Education

- Bachelor of Communications Art, Sukhothai Thammathiraj University
- Being Trained Director Accreditation Program (DAP) class 36/2005
- Being Trained Finance for Non-Finance Directors (FND) class 24/2005

Holding a Position of Director : 2 Company

#### Current

- President & CEO, Better World Green Public Company Limited
- Director, Earth Tech Environment Public Company Limited

Holding a position of Director of non-listed Company : 4 Company

#### Current Position

- President, Better Waste Care Company Limited
- President, Better World Transport Company Limited
- President, Be Green Development Company Limited
- President, Better Me Company Limited



#### Working experience

- President, Ava Grand Energy Company Limited.
- President, Siri Lapha Power Company Limited.
- Director, Recovery House Company Limited.
- Director, Link 88 Power Company Limited.

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : -None

Family Relation with Other Directors : A brother Mr.Vanchai Luengviriya

Dispute in the 10 Preceding Years : -None-





Name-Surname Mr. Sutath Boonyaudomsart

Current Position Director

Age 57 years

Nationality Thai

Date of Appointment : 21<sup>st</sup>, November 2011

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : 0.0023% (9,350 shares) (No shareholding change in 2022)
- Held by spouse or minor children : -None-

#### Education

- Master of Business Administration (MBA) Major : Finance and Banking, Ramkhamhaeng University
- Bachelor of Business Administration (Accounting), Ramkhamhaeng University
- Being Trained DAP58/2006 Program, ACP25/2009 Program Tax Auditor
- Anti-Corruption : The Practical Guide (ACPG 23/2015)
- Being trained in Financial Projection for company valuation
- Being trained in Corruption Risk and Control Workshop (CRC11/2564)

Holding a Position of Director : 2 Company

#### Current

- Director and Vice-Managing Director of Accounting and Finance
- Department, Better World Green Public Company Limited
- Director, Earth Tech Environment Public Company Limited



Holding a position of Director of non-listed Company : 6 Company

Current

- Director Accounting & Taxation Consultant Company Limited
- Director, A-Business Advisory Company Limited
- Director, Better Waste Care Company Limited
- Director, Better World Transport Company Limited
- Director, Be Green Development Company Limited
- President, Better Me Company Limited

Experience

- Director and Chairman of the Audit Committee Vintage Engineering Public Company Limited
- Audit Committee, Unipro Manufacturing Company Limited
- Director, Ava Grand Energy Company Limited
- Director, Siri Lapha Power Company Limited
- Director, Recovery House Company Limited
- Director, Link 88 Power Company Limited

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : -None-

Family Relation with Other Directors : -None-

Dispute in the 10 Preceding Years : -None



Name-Surname	Mr.Rerngchai Rurngpayoongsak
Current Position	Director
Age	68 years
Nationality	Thai

Date of Appointment : 9<sup>th</sup>, November 2019

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- Master of Environmental Management NIDA
- Bachelor of Engineering, King Mongkut's University of Technology Thonburi (KMUTT)
- Training for Director Accreditation Program (DAP) 165/2019
- Training for Executive Program in Digitalization Industry of Thailand (eDit) 4/2020

Holding a Position of Director : -None-

Holding a position of Director of non-listed Company : -None-

#### Experience

- Operations Manager, Earth Tech Environment Public Company Limited.
- Project Manager, IRDC Exploration and Mining Company Limited.
- Manager of Industrial Waste Management Center, Interpro - MEW Joint Venture

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : - None -

Family Relationship among Directors and Executives : - None -

Dispute in the 10 Preceding Years : - None -



Name-Surname Mr.Sakchai Wongchaisuriya

Current Position Independent Director and Chairman of the Audit Committee

Age 63 years

Nationality Thai

Date of Appointment : 21<sup>st</sup>, November 2011

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- MBA, Ramkhamhaeng University
- Bachelor of Law, Ramkhamhaeng University
- Being trained in Director Accreditation Program (DAP)

Holding a Position of Director : -None-

Holding a position of Director of non-listed Company : -None-

#### Experience

- Deputy Vice President., The Development of Small and Medium Enterprises, Thai Bank Public Company Limited
- Deputy Vice President, CIMB Thai Bank Public Company Limited  
Vice President-Administration, Rakkeat hardware Company Limited

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : - None -

Family Relationship among Directors and Executives : - None -

Dispute in the 10 Preceding Years : - None -



Name-Surname Mr. Prayut Wiboonsirichai

Current Position Independent Director and Audit Committee

Age 58 years

Nationality Thai

Date of Appointment : 21<sup>st</sup>, November 2011

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- MBA (General Management) for CEOs, Ramkhamhaeng University.
- Thai Certified Public Accountant (CPA), Federation of Accounting Professionals
- Internal Auditing Certificate Program (IACP) Being Trained DAP Program

Holding a Position of Director : 1 Company

#### Current

- Partner and Director First Auditor & Advise Company Limited

#### Experience

- Independent Director and Audit Committee Meta Corporation Public Company Limited
- Director First Audit & Advice Co., Ltd

Attendance at the Board of Directors' Meeting during 2022 : 4/4

Conflict of Interest : - None -

Family Relationship among Directors and Executives : - None -

Dispute in the 10 Preceding Years : - None -



Name-Surname	Miss. Benjawan Prasansap
Current Position	Audit Committee and Independent Director
Age	46 years
Nationality	Thai

Date of Appointment : 21<sup>st</sup> ,November 2011

(%) shareholding (as at December 31st, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- Master of Business Administration Kasetsart University
- Bachelor of Business Administration (Accounting) Ramkhamhaeng University
- Certified Public Accountant (CPA) And Tax Auditor (TA)
- Being trained DAP Program

Holding a Position of Director : 1 Company

Holding a position of Director of non-listed Company : 1 Company

#### Current

- Director of Prasansap Audit Company Limited

#### Experience

- Account Officer, Bangkok Bank Public Company Limited.

Attendance at the Board of Directors 'Meeting during 2022 : 4/4

Conflict of Interest : -None-

Family Relation with Other Directors : -None-

Dispute in the 10 Preceding Years : -None-



## Management Team

### President & CEO

Mr. Vanchai Luengviriya 59 years

% Shareholding Company (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

### Education

- Bachelor of Business Administration General Management, Ramkhamhaeng University
- Being Trained DAP Program
- Being Trained Anti-Corruption : The Practical Guide (ACPG 21/2015)

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### Executive Director

Mr. Teerasak Pongpanakrai 78 years

% Shareholding Company (as at December 31<sup>st</sup>, 2022)

- Held personally : 0.0005% (2,000 shares)
- Held by spouse or minor children : - None -

### Education

- Master of Engineering, (Sanitation) Chulalongkorn University
- Being Trained DAP Program

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### Executive Director and Deputy Managing Director of Administration

Mr.Rerngchai Rurngpayongsak 68 years

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

### Education

- Master of Environmental Management NIDA
- Bachelor of Engineering, King Mongkut's University of Technology Thonburi (KMUTT)
- Training for Director Accreditation Program (DAP) 165/2019



#### Vice-Managing Academic Department

Miss. Wanida Worapithayaroek Age 45 Years

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- Bachelor of Environmental Science Silpakorn University

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#### Vice - Managing Director Operation Department

Mr. Phol Sagehong Age 82 Years

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

#### Education

- Dr. Eng. in Chemical Engineering, PAUL Sabatier University, Toulouse, France,(1972)

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#### Vice-Managing Director Accounting

Mrs. Wannarat Khumngern Age 48 Years

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : 0.0005% (In name of himself 2,000 shares) No shareholding change in 2022
- Held by spouse or minor children : -None-

#### Education

- Bachelor of Management Valaya Alongkorn Rajabhat University
- Training for Accountants 4.0 and Accounting Program  
Selection And information system development Accounting
- Training for Orientation Course – CFO Focus on Financial Reporting
- Training on the preparation of cash flow statements





Chief Accountant (The person supervising accounting)

Mrs. Siriwan Dumrat Age 42 Years

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : -None-
- Held by spouse or minor children : -None-

Education

- Bachelor of Business Administration in Accounting, Ramkhamhaeng University
- Accountant 4.0 with a selection of accounting software And development of information systems Accounting
- Training in filing financial statements of bookkeepers with the system  
Provide financial statement receiving services Via electronic (e-Filing)
- Insights into financial statements analysis
- Training Orientation Course - CFO Focus on Financial Reporting  
New option, E-TAX coping invoice
- Training on the problems of preparing the consolidated financial statements and practicing the preparation of consolidated financial statements
- Safety training health and condition at a high level in the workplace Slapped by SIAMSAFETY
- Training to learn - use as Cash flow statement preparation training by  
Account Training Company Limited
- Training on business integration practices and preparation of consolidated financial statements,  
training by Account Training Company Limited

Experience

- Head of Accounting Department, Better World Green Public Company Limited



### Company Secretary

Miss.Sakuntala Taichala      Age 39 Years

(%) shareholding (as at December 31<sup>st</sup>, 2022)

- Held personally : 0.00022% (In name of himself 900 Shares)
- Held by spouse or minor children : -None-

### Education

- Bachelor's degree in Business Administration, Kasem Bundit University
- Company Secretary Program (CSP120/2021)
- Internal Audit for ISO 9001:2015, ISO 14001:2015 and ISO 45001:2015
- Company snapshot program training
- Training on social responsibility management for sustainable development.
- Role of company secretary, CG upgrade in Anti-Corruption
- Training safety officers in the work. supervisor level

### Experience

- Secretary of the Company's Managing Director and Head of  
Public Relations Department Akkhie Prakan Public Company Limited

## Attachment 2

Details of Directors and Executives And the Company's controlling person In related companies

รายชื่อ		บริษัท	บริษัทที่เกี่ยวข้อง										
			BWG	BWT	BWC	ETC	Be Green	RH	BME	L88	AVA	EEC	Siri
Mr. Uthai	Juntima	X	-	-	-	-	-	-	-	-	-	-	-
Mr. Teerasak	Pongpanakrai	I,II	-	-	-	-	-	-	-	-	-	-	-
Mr. Vanchai	Luengviriya	I,II,V	-	-	-	-	-	-	-	-	-	-	-
Mr.Suwat	Luengviriya	I	I,II,V	X	X	I	X	-	X	-	-	-	-
Mr.Suthat	Boonyaudomsart	I	I,II,V	I	I	I	I	-	I	-	-	-	-
Mr.Rerngchai	Rurngpayoongsak	I,II,V	-	-	-	-	-	-	-	-	-	-	-
Mr. Sakchai	Wongchaisuriya	III	-	-	-	-	-	-	-	-	-	-	-
Miss.Benjawan	Prasansap	III	-	-	-	-	-	-	-	-	-	-	-
Mr. Prayut	Wiboonsirichai	III	-	-	-	-	-	-	-	-	-	-	-
Mr.Phol	Sagethong	V	-	-	-	-	-	-	-	-	-	-	-
Miss.Wanida	Worapithayaroek	V	-	-	-	-	-	-	-	-	-	-	-
Mrs. Wannarat	Khumngern	V	-	-	-	-	-	-	-	-	-	-	-

### หมายเหตุ

X = Chairman of the Board I = Director II = Executive Director III = Audit Committee V = Executive

Better World Green Public Company Limited. "BWG"

Better World Transport Company Limited. "BWT"

Better Waste Care Company Limited. "BWC"

Earth Tech Environment Company Limited. "ETC"

Be Green Development Company Limited. "Be Green"

Recovery House Company Limited. "RH"

Better Me Company Limited. "BME"

Link 88 Power Company Limited. "L88"

AVA Grand Energy Company Limited. "AVA"

Earth Engineer And Construction Company Limited. "EEC"

Sirilapha Power Company Limited. "SIRI"

**Attachment 3** details about the chief of internal audit

The Company has assigned an internal audit department to inspect main operations. and financial activities of the Company to operate in the specified direction with efficiency. and in accordance with the laws and regulations related to the company Control the internal system and check important items regularly. and will report the results Check directly to the audit committee. Make the internal audit department independent. can check and fully counterbalanced In this regard, the Company has assigned Mrs. Phiraya Chanyarak to be responsible for the control system and Internal audit with details about the head of internal audit as follows:

**Name - Surname** Mrs. Phiraya Chanyarak

**Position** Head of Internal Audit Department 39 years old

**Education/Training Qualifications**

- Bachelor's Degree, Faculty of Business Administration, Accounting, Rattanakabandit University
- Diploma of Internal Audit Executive (CAE Chief Audit Executive Professional Leadership Program) CAE Class 2
- Passed internal audit training, Internal Auditing Certificate Program (IACP), Class 10
- Audit program writing course
- Passed the Fraud Risk Management course
- Passed the training course Effective Supervisory Skill
- Passed the training course on standard system knowledge.

ISO 9001:2015, ISO 14001:2015 and ISO 45001:2015

**Work experience in internal audit**

- 2022 - Present Head of Internal Audit Department Akkhie Prakarn Public Company Limited
- 2021 – 2022 Internal Auditor, AQ Estate Public Company Limited
- 2016 - 2020 Internal Auditor, Centara Grand Audit Company Limited
- 2015 – 2016 Internal Audit Chief, ACS Servicing (Thailand) Co., Ltd.
- 2012 - 2015 Internal Audit Supervisor Akkhie Prakarn Public Company Limited

Shareholding in the Company : - -None - -

Family relationship between directors and executives : - -None - -

History of violating securities laws and futures contracts : - -None - -



#### Responsibilities and Scope of Work of the Head of Internal Audit

1. Prepare a risk-based audit plan proposed to the Managing Director and the Audit Committee for approval.
2. Coordinate with various agencies Related To achieve the results of the internal audit activity. according to the approved and effective internal audit plan
3. To inspect and review the operation to ensure that it is correct and in accordance with the guidelines. Operating power regulations, laws and regulations, including compliance with business ethics and various policies, such as the Anti-Fraud and Corruption Policy
4. Follow up on inspection results, make suggestions and give advice.
5. Prepare an internal audit report. including suggestions Methods and measures for improvement For use in communicating with the management and the audit committee.
6. Perform other tasks related to internal audit. As assigned by the audit committee in addition to the approved audit plan

## Attachment 4 Operating Assets and Details on Asset Appraisal list

### 4. Assets for Business Operations

#### 4.1 Equipment- Net

As at December 31<sup>th</sup>, 2022, the Company's equipment-net was as follows:

(Unit: Million Baht)

Item	Net Value after Deducting Accumulated Depreciation	Nature of Ownership	Obligations
Land improvement	2.29	Owned	N/A
Furnishings and office supplies	0.81	Owned	N/A
Computer and equipment	2.67	Owned	N/A
Equipment	11.99	Owned	N/A
Vehicle	7.40	Owned	N/A
Construction work	-	Owned	N/A
<b>Total</b>	<b>25.16</b>		

#### 4.2 Assets under license agreements

As of December 31, 2022, the Company has assets under license agreements as follows:

(Unit: Million Baht)

Item	Net Value after Deducting Accumulated Depreciation	Nature of Ownership	Obligations
The right to manage and operate the center	21.93	Department of Industrial Works	N/A
Factory Building Improvement	0.94	Department of Industrial Works	N/A
Machinery and equipment	48.18	Department of Industrial Works	N/A
Equipment	0.02	Department of Industrial Works	N/A
Construction work	0.80	Department of Industrial Works	N/A
<b>Total</b>	<b>71.87</b>		

#### 4.3 Details of Significant Contracts

##### Summary of Contracts

##### Licensing Agreement for Management and Operation Rights of Industrial Waste Management Center (Industrial Waste Incinerator), Bang Pu, Samut Prakan

Contractual Party	: Department of Industrial Works (As a "Licensor") : Akkhie Prakarn (Public) Company Limited (As a "Licensee")
Date of Agreement	: February 11, 2008
Term of Agreement	: 20 years
Terms of Agreement Renewal	: Renewable
Purpose of Agreement	: Department of Industrial Works grants rights to Akkhie Prakarn (Public) Company Limited to perform the management and operation of the Industrial Waste Management Center (Industrial Waste Incinerator), Bang Pu, Samut Prakan ("Center")
Location of Center	: No. 792, Moo 2, Soi 1 C/1, Bang Pu Industrial Estate, Sukhumvit Road, Bang Pu Mai Sub-District, Mueang Samut Prakan District, Samut Prakan Province, consisting of all buildings, constructions, equipment, materials that are available at the time of entering into the agreement and may occur in the future during the term of agreement, including the analytical laboratory system and other public utilities
Form of Return	: 1. Normal financial return is in the amount as the licensee offers to the licensor. 2. Additional financial return 3. Special additional return Each year the licensor shall receive the return at the rate of 10 % of the total income earned by the licensee every year. If the return received by the licensor is less than 10% in any year, the licensee shall pay compensation to complete the rate of 10% of revenue for that year. Throughout the term of agreement, the licensee shall guarantee the minimum return income that the licensor will receive the total return of not less than 300 million Baht.
Termination of Agreement	: The licensor shall be entitled to terminate the agreement in the following cases: 1. Termination of agreement due to the breach of agreement by the licensee - If the licensor informs the licensee to comply with the agreement or perform the corrective action within the specified period and the licensee fails to comply with, the licensor shall be entitled to terminate the agreement.

- If the non-compliance with the agreement is a major cause of damage to national interests or to the safety of society or the Center or the safety of the Center's infrastructure, the licensor shall be entitled to terminate the agreement immediately.
  - If there are reasonable grounds to believe that the submission of the licensee's offer has been made dishonestly or there is a conspiracy in the selection or there is a joint stakeholder with other bidders or it is the act that hinder fair competition in the selection for entering into this agreement, the licensor shall be entitled to terminate the agreement immediately.
2. Termination of agreement by special reasons due to the necessity for public interest, national safety, and public safety
3. If the Court orders the licensee to be under absolute receivership or to be a bankrupt, the licensor shall be entitled to terminate the agreement immediately.

#### **Waste Treatment and Disposal Service Agreement**

The Company has the policy to enter into the waste treatment and disposal service agreement with customers. Normally, the term of agreement will be 1 year from the date of signing the agreement. The customer agrees to send solid wastes to the Company according to the class and type specified in the quotation which meets the waste samples provided to the Company. Before sending wastes, the customer must collect and pack the wastes into a container and completely separate each type of waste. In the case that each type of waste is mixed or if the wastes received from the customer have different properties and/or elements from the results of the waste sample analysis and/or do not meet the requirements specified in the quotation, the Company reserves the right to reject the acceptance of such wastes and has the right to return such wastes to the customer immediately, or both parties may agree to readjust the price of the service fee. The customer shall be responsible for the expenses for the waste inspection and analysis and shipping costs for receiving and returning wastes according to the amount specified by the Company as deemed appropriate.

#### **Agreement with Waste Transportation Service Provider**

The Company and Better World Transport Company Limited ("BWT"), the subsidiary of Better World Green (Public) Company Limited ("BWG"), the Company's major shareholder, had entered into the agreement of waste transportation with all external transport operators, both individual and juristic person, with the term of agreement of 3 years from the date of signing the contract. However, external transport operators agree to transport wastes from establishments specified by the Company or BWT to the Company's Waste Management Center. They shall comply with all applicable and/or future laws, regulations, and rules of government agencies, including perform operations with a duty of care to prevent damages from the transportation of such wastes. In





the case that any damage occurs, the external transport operator shall be liable for and indemnify for such damages at its sole expense.

#### Agreement of Natural Gas Trading

Contractual Party	:	PTT Natural Gas Distribution Company Limited (as a "Seller")
	:	Akkhie Prakarn (Public) Company Limited (As a "Buyer")
Term of Agreement	:	9 Years Starting on May 1 <sup>st</sup> , 2018 Ending on April 30 <sup>th</sup> , 2027
Purpose of Agreement	:	To purchase natural gas for using in the incineration process of wastes, solid wastes, and unused materials at Industrial Waste Management Center (Industrial Waste Incinerator), Bang Pu, Samut Prakan

#### Business Cooperation Agreement

Contractual Party	:	Akkhie Prakarn (Public) Company Limited ("Company")
	:	Better World Green (Public) Company Limited ("BWG")
Substance of Agreement	:	<p>To determine</p> <p>(1) Scope of business operation: The Company operates the business of incineration of solid wastes or unused materials by means of hazardous industrial waste incinerators and BWG operates the business of management of solid wastes or unused materials by means of landfill and recycling as renewable raw materials and fuel and the central wastewater treatment.</p> <p>(2) Relationships or related transactions: The Company and BWG will continue cooperating in business operations to provide services to customers in the form of "One Stop Service", which may cause related transactions. Therefore, if there is a related transaction, the Company and BWG will perform operations according to the general fair trade terms which do not cause benefit transfers. In addition, the price conditions are determined according to the prices and normal business conditions received by the Company and BWG or offered to general individuals.</p> <p>(3) Preventive and corrective approaches for business conflicts and conflicts of interest: If the Company expands its business that may cause conflicts with BWG or if BWG expands its business that may cause conflicts with the Company, both parties will consider and discuss in advance to determine the nature of service to be different or clearly distinguish the target customer groups as well as determine other necessary guidelines or measures to prevent business conflicts and conflicts of interest.</p>



#### Memorandum of Agreement on Changes in Shareholding Proportion

- Contractual Party : Akkhie Prakarn (Public) Company Limited (“Company”)
- : Better World Green (Public) Company Limited (“BWG”)
- Substance of Agreement : The substances are as follows:
- (1) In the event that BWG changes its shareholding proportion, whether by disposing, paying, transferring, or acquiring shares, BWG agrees to notify the change of such shareholding proportion in writing to the Company in advance to give the Company the opportunity and time to perform the approval process from the Department of Industrial Works in accordance with the requirements of the concession agreement stating that the Company must request for an approval in writing from the Department of Industrial Works prior to the change of shareholding proportion or major shareholder structure.
  - (2) In the event of the cancellation of the requirements of the concession agreement stating that the Company must obtain an approval in writing from the Department of Industrial Works prior to the change of shareholding proportion or major shareholder structure, or in the event that the Company is approved by the Department of Industrial Works in any way, which causes the Company no longer to comply with the original terms of the licensing agreement, BWG's duties under Clause (1) shall be terminated as well.
  - (3) If BWG fails to comply with such agreement in Clause (1), BWG agrees to be responsible for any damages incurred to the Company for failure to comply with such agreement.

#### 4.4 Details about the property appraisal list

--None--

## Attachment 5

### Corporate Governance Policy and Guidelines And Full Version of Code of Conduct Prepared by the Company

The Board of Directors passed the resolution to consider and adopt the 2017 Corporate Governance Code for listed companies (CG Code) by considering and recognizing roles and duties as a Governing Board. All directors had carefully considered the implementation of such code which its details include the benefits and importance of implementing the CG Code in order to create sustainable value for the business. However, regarding the improper code for the Company's business operations, the Board of Directors considered and issued appropriate measures to replace it and also recorded them as a part of the Board's resolution to conduct the annual review. The Company disclosed its corporate governance policy on its website for external communications and disseminated it to communicate with all employees in the organization to acknowledge the Company's corporate governance and encourage them to participate in the compliance with such policy.

In addition, the Company adheres to and focuses on the 2012 Corporate Governance Code for listed companies which includes 5 sections of the OECD (Organization for Economic Co-operation and Development). It is used as the guideline to develop policies that cover the rights and equality of shareholders and stakeholders, structure, roles, duties, responsibilities and independence of the Board of Directors, information disclosure and transparency, risk control and management, and business ethics so that the management and the business operations of the Company are effective and transparent. The Corporate Governance Code includes 5 sections as follows:

Section 1 Rights of Shareholders

Section 2 Equitable Treatment of Shareholders

Section 3 Roles of Stakeholders

Section 4 Information Disclosure and Transparency

Section 5 Responsibilities of Director

In addition, the Board of Directors has prepared the principles of "Code of Conduct" which apply to directors, executives, and employees of the Company as well as other individuals acting on behalf of the Company, and reviewed it regularly. It covers any matters, such as human rights, labor, health, safety, security, environment, conflicts of interest, insider trading, corruption, internal control, and information disclosure, etc., which are in accordance with international standards.

The Company has published its corporate governance practices and principles on the Company's website, [www.akkhie.com](http://www.akkhie.com).

## **Attachment 6** Audit Committee Report and other Subcommittees' Reports

### **1. Audit Committee Report**

The Audit Committee of Akkhie Prakarn Public Limited Company is composed of three independent directors who are qualified experts in multiple fields such as accounting and finance, law and corporate management. None of the Audit Directors are executives, employees or consultants in the Company or the corporation. The current Audit Committee consists of the following:

- |                  |                |                          |
|------------------|----------------|--------------------------|
| 1. Mr.Sakchai    | Wongchaisuriya | Audit Committee Chairman |
| 2. Mr.Prayut     | Wiboonsirichai | Audit Committee Director |
| 3. Miss.Benjawan | Prasansap      | Audit Committee Director |

The Audit Committee performed duties assigned by the Board of Directors and in compliance with the Audit Committee Charter, which is compliant with the specifications prescribed by the Stock Exchange of Thailand. In the fiscal year of 2022, the Audit Committee held four meetings. Every Audit Committee Director attended each meeting and summarized reports on the meeting outcomes for the Board of Directors. The significant contents of missions during the year are summarized as follows:

#### **Completeness, Accuracy and Reliability of Financial Reports**

The Audit Committee reviewed quarterly financial statements and the annual financial statements of the Company. The Audit Committee considered the significant issues and offered recommendations including useful opinions to ensure the internal control processes in preparing the Company's financial statements are accurate and reliable with sufficient disclosure of relevant information in time for financial statement users. Furthermore, the Company's internal control processes for preparing financial statements are compliant with relevant laws and notifications, criteria of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission according to standards for financial reports. Moreover, the Audit Committee met with the auditor without executives or the Management Department in attendance once to freely consult one another regarding significant data in financial statement preparation. Concerning independence in auditing, key audit matters and recommendations for internal control systems in 2022, the certified public accountant did not have significant observations regarding the financial statement. The Audit Committee has the opinion that the Company's process for preparing accounting and finance reports has appropriate internal control systems. Moreover, the certified public accountant was free to perform duties without limits to the scope of audit. Thus, the Audit Committee is confident that financial reports show the Company's financial status and performance accurately in significant contents.

#### **Connected Transactions or Transactions with Potential Conflicts of Interest**

The Audit Committee considered and provided opinions regarding connected transactions or transactions with potential conflicts of interest for the Company by adhering to the principles of caution, reason and consideration of benefits for the Company's stakeholders including sufficient disclosure of information in compliance with conditions determined by the Stock Exchange of Thailand.

**Assessing the adequacy of internal control, countering bribery and corruption, and directing internal inspections.**

The Audit Committee reviewed the effectiveness and sufficiency of the internal control system and approved the assessment results according to the sufficiency assessment form of the internal control system as specified by the SEC, including reviewing the performance. Of the company In the area of anti-bribery and corruption To ensure that an appropriate internal control system has been established. To operate in accordance with goals, objectives, laws, relevant regulations effectively. There is accurate, complete and reliable disclosure of information.

Constantly considering the reports of the internal audit department and the auditor. To know the cause and Give comments or suggest ways to prevent the damage that may occur. Follow up and review to ensure recommendations are followed, preventing their recurrence. As well as to consider the independence of the internal audit department Scope of work Annual audit program Consider quarterly and annual audit reports It focuses on examining the effectiveness of operations that are important preventive control points. Bribery and Corruption Investigation Consider the results of the internal audit quality assessed by the Internal Audit Department. Review and approve the appropriate internal audit charter. According to generally accepted international methods and standards

**Risk Management**

The Audit Committee has reviewed the risk management, including In dealing with major risks To be effective and efficient To monitor various risk situations Analyze the impact of changes in economic, social, political, technological changes. Cyber threat Provide suggestions for identifying new risks to cover all risks affecting the business This is to enable the company to manage risks quickly and promptly to change. The company Has disclosed various risks Within the title "Risk Factors" in the Annual Report

**Compliance with the Law and Specifications**

The Audit Committee reviewed the Company's performance and determined the Company's performance to be in compliance with laws on securities and stock exchanges, Stock Exchange of Thailand specifications and laws related to the Company's business. In addition, the Audit Committee acknowledges changes to rules and regulations with effects on the Company's business operations. In 2022, the certified public accountant did not report incidents in which directors, managers or persons responsible for the Company's operations have committed crimes pursuant to Article 89/25 of the Securities and Exchange Act.

**Selection of Auditors and Setting of Remuneration**

The Audit Committee has evaluated and selected the auditors and specified remuneration with consideration given to knowledge, abilities, experience, responsibility and work quality of the auditor for the past year, along considered the specifications of the Stock Exchange of Thailand and other related agencies in order to instill confidence in the auditor's genuine independence and neutrality in work activities. Thus, the Audit Committee decided to select an auditor from Karin Audit Company Limited as the Company's auditor for 2021, considered appropriate auditor's remunerations and proposed the issue to the Board of Directors. And to the shareholders' meeting for approval.



In 2022, therefore, the Audit Committee performed its duties and responsibilities adequately and fully as specified in the charter that was approved by the Board of Directors and exercised knowledge, abilities, caution and thoroughness with sufficient independence to provide equal benefits to stakeholders. Furthermore, a review of the Audit Committee's charter occurs along with self-assessments on the activities of the Audit Committee on a committee and on an individual level annually in order to ensure review and work improvements that promotes work effectiveness. Accordingly, the committee holds the opinion that the Company has in place a sufficient and appropriate internal control that is transparent and effective in building reasonable confidence that the Company's financial statements are reliable and correct in essential content under generally-accepted accounting principles, that engagement in transactions with potential conflicts of interest occurs reasonably and for the Company's maximum benefits and that information pertaining to the aforementioned transactions is disclosed in appropriately in the inter-period and annual financial statements and that the Company has complied with the law and all related regulations without significant errors over the past year.

( Mr.Sakchai Wongchaisuriya )

Chairman, Audit Committee

February 24<sup>th</sup>, 2022

## 2. Opinion of the Audit Committee on related transactions

As the Audit Committee and Independent Director of Akkhie Prakarn Public Company Limited, “the Company” has been assigned by the Board of Directors. To help supervise transactions and disclose information about transactions with persons who may have a conflict. Benefit or a connected transaction of the company That it is appropriate and in accordance with the criteria announced by the Capital Market Supervisory Board.

In this regard, the Internal Audit Department of the Company has been assigned to randomly check the transactions that occurred And presenting cases where issues were detected at the meeting of the Audit Committee to consider It has also been audited by the Company's auditors in accordance with generally accepted accounting standards. During the year there were no presentations in case of any such issues were detected.

Therefore, the Audit Committee has considered. There is an opinion that The company has provided and maintained. Which measures or procedures for approving related transactions are appropriate and effective Which can build confidence with reason that Entering into related transactions during the year 2022 in order to create the best benefits to the Company By considering the necessity of the transaction and the suitability of the price of that transaction. Which consider various conditions this is in accordance with the nature of normal business in the industry and there is a comparison with the third party price or the market price, and the related transactions are disclosed in the notes to the Company's financial statements, together with the type and value of the Company's related transactions. With someone who might there are conflicts under the announcement and regulations of the Securities and Exchange Commission. And announcement of the Stock Exchange of Thailand



(Mr.Sakchai Wongchaisuriya )

Audit Committee Chairman



(Mr.Prayut Wiboonsirichai)

Audit Committee Director



(Miss.Benjawan Prasansap)

Audit Committee Director

### 3. Risk Management Sub-Committee Report

The Risk Management Sub-Committee of Akkhie Prakarn Public Limited Company is composed of three qualified experts; two are independent directors. Every director is a qualified expert with risk management knowledge and ability. The current Risk Management Sub-Committee is composed of the following:

- |    |            |                |  |
|----|------------|----------------|--|
| 1. | Mr.Sakchai | Wongchaisuriya | Risk Management Sub-Committee Chairman |
| 2. | Mr.Vanchai | Luengviriya    | Risk Management Sub-Committee Director |
| 3. | Mr.Prayut  | Wiboonsirichai | Risk Management Sub-Committee Director |

In 2022, the Risk Management Sub-Committee met twice to perform assigned duties. Every Risk Management Sub-Committee member attended meetings. The relevant contents of the meetings can be summarized as follows:

1. Consider the significant risks of the organization as disclosed in the annual report. Especially the risks associated with "ESG" (Environmental), Social and Corporate Governance issues (Governance) is an important foundation for driving the organization to achieve sustainable goals.

2. To monitor various risk situations Ensuring that the impact of changes in economic, social, political, technological factors is analyzed. Cyber threat that affect the business as well as giving advice to the working group including review and determination Risk management strategies to suit changing situations.

3. Promote an organizational culture that takes into account risks, fairness and transparency. In terms of setting up a good risk management framework, creating and cultivating an organizational culture that takes into account risks (Risk Culture), the management of the management. Control the risks to the approved level (Risk Appetite and Risk Limit), supervise for effective control and audit, have a whistle blowing process, including a compensation policy. (Remuneration) that reflects the corporate culture that takes into account risk.

4. Annual reviews and revisions are made to the charter of the Risk Management Sub-committee to keep it updated and ensure consistency with current business situations and self-assessments are performed concerning activities on a committee level and individual level in regards to performance of duties in order to facilitate work review and improvement that will achieve effectiveness.

From the performance of duties in the past year The Risk Management Subcommittee has supervised Promote to ensure Enterprise risk management covering ESG risk, Emerging risks, which this year The Company has focused on preparing and managing the risks associated with the COVID-19 outbreaks carefully and to its best. By taking into account and maintaining a balance between economy, environment and society, including all stakeholders in the operation. Including business opportunities has been continuously implemented until the risk is effectively acceptable to the Company. Which helps to encourage the organization to achieve success According to business strategy and goals Defined with stability and sustainability



(Mr. Sakchai Wongchaisuriya)

Chairman, Risk Management Sub-Committee

February 24<sup>th</sup>, 2022





#### 4. Recruitment and Wage Sub-Committee Report

The Board of Directors appointed the Recruitment and Wage Sub-Committee to recruit, select and nominate individuals with appropriate knowledge, capabilities and qualifications to perform duties as directors in addition to proposing wage policies, wage payment policies and other benefits for the Board of Directors and other subcommittees. The Recruitment and Wage Sub-Committee is composed of the following five directors:

- |    |               |                |   |
|----|---------------|----------------|---|
| 1. | Mr.Uthai      | Juntima        | Recruitment and Wage Sub-Committee Chairman |
| 2. | Mr.Vanchai    | Luengviriya    | Recruitment and Wage Sub-Committee Director |
| 3. | Miss.Benjawan | Prasansap      | Recruitment and Wage Sub-Committee Director |
| 4. | Mr.Sakchai    | Wongchaisuriya | Recruitment and Wage Sub-Committee Director |
| 5. | Mr.Prayuth    | Wibulsirichai  | Recruitment and Wage Sub-Committee Director |

In 2022, the Recruitment and Wage Sub-Committee held two meetings to perform assigned duties. Every Recruitment and Wage Sub-Committee Director attended each meeting. The significant contents of the meetings are summarized as follows:

1. Seek and screen individuals with proper qualifications for presentation to the Board of Directors before proposing that the shareholders' meeting consider appointment in addition to allowing shareholders to nominate suitable persons to be selected as directors. However, no shareholder nominated individuals for consideration of appointment as directors. Therefore, the Recruitment and Wage Sub-Committee proposed appointing directors who resigned according to terms in 2020 to stay on as directors for another term. The shareholders' meeting passed a resolution approving new director appointments as proposed.
2. Consider increasing the number of the Nomination and Remuneration Committee from the original 3 to 5 in accordance with the principles of good corporate governance. The names are presented to the Board of Directors meeting for consideration. The meeting of the Board of Directors has approved to add Mr.Sakchai Wongchaisuriya, Independent Director and Mr.Prayuth Wibulsirichai, Independent Director, to take the position of the Nomination and Remuneration Sub-Committee.
3. The Recruitment and Wage Sub-Committee set wages for the Company's directors and Audit Directors in 2022 by using criteria to consider commensurate wages for duties, responsibilities and capabilities in concurrence with the Company's overall performance and references to the same business or industry.
4. Support is given for all members of the committee to attend training and participate in activities to increase knowledge in related work using the Company's resources.



5. Reviewed and revised AKP's policies and guidance's related to information disclosure to align them with the current laws and best practices of SEC and the Stock Exchange of Thailand (SET). This was to ensure all stakeholders that AKP is committed to the accurate and transparent disclosure of information in conformance with the applicable law and in an equitable manner.
6. Reviewed and revised are made in the succession plans of high-ranking executives in order to ensure that the Company has timely successors that possess suitable qualifications and leadership who can operate business continuously and drive the organization in line with the vision and strategies set by the Board of Directors.

Thus, the Recruitment and Wage Sub-Committee has performed its duties in accordance with its charter and as assigned meticulously, cautiously, transparently and fairly in line with the principles of good corporate governance with primary consideration to maximum benefit for the Company and its stakeholders.

(Mr. Uthai Juntima)

Recruitment and Wage Sub-Committee Chairman

February 24<sup>th</sup>, 2022

## 5. Report of the Corporate Governance and Sustainability Subcommittee

Board of Directors Assigned a subcommittee on good corporate governance and social and environmental responsibility To supervise the operations of good corporate governance Business ethics Sustainability management And operations in the care of society, community and environment Support in driving the organization that fostering the ethics and code of conduct of personnel at all levels of the organization to be interested and aware of their participation in creating activities that benefit society and the environment in Creating an organizational culture with good people, talented people and fellow volunteers leads to a strong and sustainable society.

At present, the Corporate Governance and Social and Environmental Responsibility Subcommittee Consists of 4 directors as follows

- |    |               |                |  |
|----|---------------|----------------|--|
| 1. | Mr.Prayut     | Wiboonsirichai | Chairman of the Corporate Governance Sub-Committee and Sustainability (Independent Director) |
| 2. | Mr.Sakchai    | Wongchaisuriya | Corporate Governance and Sustainability Subcommittee (Independent Director)                  |
| 3. | Miss Benjawan | Prasansap      | Corporate Governance and Sustainability Subcommittee (Independent Director)                  |
| 4. | Mr.Vanchai    | Luengviriya    | Corporate Governance and Sustainability Subcommittee   |

In 2022, the Corporate Governance and Corporate Social Responsibility Committee followed duties and responsibilities assigned by the Board of Directors and the Corporate Governance and Corporate Social Responsibility Committee, which are consistent with specifications of the Stock Exchange of Thailand. The Corporate Governance and Corporate Social Responsibility Committee met once and the Committee's significant performance can be summarized as follows:

1. The Committee considered and reviewed corporate governance and corporate social responsibility policies and steps to be consistent with the Corporate Governance Code (CG Code) of 2017 issued by the Stock Exchange of Thailand (SET) and in line with business operations and sustainable development goals
2. The Committee considered and approved performance in the area of policies, strategies and work plans in the area of the Company's corporate governance and corporate social responsibility .Ensuring compliance with regulations, applicable laws, and best practices ,business ethics and Supervising sustainable-development work. As well as providing suggestions and monitoring the progress of the operation results.
3. Promote and encourage employees to comply with good corporate governance policies and procedures and social and environmental responsibility. Business ethics And important organization practices As well as action plans for good corporate governance and social and environmental responsibility of The company defined Throughout promoting and giving importance to participation in community volunteer employee projects in order to spend their time doing activities that benefit society and benefit the organization's sustainable value.

4. Review and improve the charter of the Corporate Governance and Social Responsibility Subcommittee. To scrutinize matters By role In order to improve the performance of their duties for the best benefit, arrange for self-assessment both on a board basis and individually in accordance with the form of assessment specified by the SET To review the performance of the previous year To help create a balance of thinking Quality of work Including efficiency in decision making of the committee This is useful in formulating strategies, policies and business directions of the Company.

In the year 2022, the company did not receive any complaints regarding wrongdoing, violations or inappropriate behavior. In bribery and corruption actions that violate the law Business ethics Principles of good corporate governance and regulations of the company in any way

With the determination to drive the operation according to the principles of good corporate governance always. As a result, in the year 2022, the company received quality evaluation results such as

- Has been certified as a member of the Collective Action Coalition: CAC 2022 of the Thai private sector against corruption. Under the policy and guidelines to prevent all forms of corruption.
- Received a certificate for Carbon Footprint for Organization: CFO for the year 2021 and Carbon Footprint Product: CFP for the year 2022-2025 from Minister of Natural Resources and Environment This represents effective management of reducing greenhouse gas emissions.
- CSR-DIW Continuous Award 2022 CSR standards from the Department of Industrial Works
- "Gold Medal" award under the project to develop and upgrade the hazardous waste management entrepreneurs in the industrial sector from the Department of Industrial Works
- Received the Eco Factory standard certification for the year 2021-2024 showing social responsibility Community development and community economic promotion from the Federation of Thai Industries
- Received Green Industry Certificate Level 4 Green Culture (Green culture) Everyone in the organization cooperates in operating in an environmentally friendly manner in all aspects. from the Ministry of Industry
- Thailand Sustainability Investment Award or "Sustainable Stock" 2022 for the 8th consecutive year from the Stock Exchange of Thailand As a listed company with outstanding business performance, taking into account the balance of the environment, society and corporate governance.
- Honorary Awards (Sustainability Disclosure Recognition) gives importance to the dissemination of operational information. covering economic, social and environmental aspects or ESG (Environmental, Social and Governance) issues in addition to financial information. in the form of a sustainability report This will benefit the stakeholders of the business and develop the organization towards sustainability in the long run.
- The quality assessment result of the 2022 Annual General Meeting of Shareholders (Annual General Meeting AGM) to maintain the legitimate rights of investors received 100 points from the Thai Investors Association.
- "Excellent" for corporate governance assessment of Thai listed companies (CGR) for the year 2022



Based on the Corporate Governance and Corporate Social Responsibility Committee's performance in the past year, the Committee worked with the Board of Directors, executives, employees and stakeholders regarding full performance of duties to grow with society, promote and support the government sector to drive the country's economy toward sustainable growth, resulting in the Company's current success and acceptance.

(Mr. Prayut Wiboonsirichai)

Chairman of the Corporate Governance  
and Corporate Social Responsibility Committee

February 24<sup>th</sup>, 2022



## Attachment 7 Internal control Assessment

### Internal control Assessment

#### Background and Objectives

Proper Internal Control system is vital to listed companies as it shall prevent, manage and mitigate risk and loss that could impact the companies and their stakeholders. Therefore, Board of Directors is accountable to oversee that the company have implemented proper internal control system that is sufficient to govern and direct the company to achieve its missions and goals while complying with laws and regulations. Besides, the internal control system should also prevent the company from fraud and physical damage and ensure correct accounting and financial reporting.

The Securities Exchange Commission (SEC), coordinated with the Price Waterhouse Cooper (Thailand), had developed this Internal Control Assessment Questionnaire as a tool for listed companies for their self-assessment.

The questionnaire adopted the internal control concept of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) which was revised on May 2013 and was adjusted to be applicable to Thai listed company. The questionnaire is constructed in 5 key areas including Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring Activities.

#### Use of Questionnaire

The companies should apply this questionnaire as guidance for internal control assessment at least annually and may reassess in case of unexpected event which may impact its operations significantly. The assessment should be reviewed by the Audit Committee and the Board in order to lead to discussion about proper improvement of internal control system.

The assessment should be based on execution of the control. If the assessment reflects insufficient control in some areas, the company should provide with rationale and improvement method.

## Control Environment

### 1. The organization demonstrates a commitment to integrity and ethical value.

	Question	Yes	No
1.1	Board of Directors and senior management articulate and demonstrate the importance of integrity and ethical values across the organization. The various forms and mechanisms may include:  1.1.1 Day-to-day actions and decision making at all levels of the organization that are consistent with the expected standards of conduct.  1.1.2 Interactions with suppliers, customers, and other external parties	✓  ✓	
1.2	Practice of integrity and ethics is in place which may include:  1.2.1. Appropriate code of conduct for all employees  1.2.2 Prohibition of conflict of interest and corruption  1.2.3 Penalty when employee action deviates from the standard code of conduct  1.2.4 Communicate the standard code of conducts and penalty when it's violated to all level of employees and external parties for adherence.	✓  ✓  ✓	
1.3	A process of ongoing and separate evaluation of Code of Conduct is in place including;  1.3.1 Ongoing and separated evaluation by Internal Audit Unit or Compliance Unit  1.3.2 Employees self-evaluation  1.3.3 Separate evaluation by independent and external experts	✓  ✓  ✓	
1.4	Deviations of the expected standard code of conduct are identified and remedied in a timely and consistent manner  1.4.1 Having a process to investigate deviations of the expected standard code of conduct  1.4.2 Having a process to penalize and conduct an appropriate action taken in timely basis  1.4.3 The corrective action should be taken in consistent and timely basis	✓  ✓  ✓	

2. The Board of Directors demonstrates independence from management and exercises oversight of the development and performance of internal control.

	Question	Yes	No
2.1	The board of directors demonstrates independence from management by their roles and responsibilities. The board must therefore retain objectivity in relation to management.	✓	
2.2	The board of directors oversees the business objectives to ensure that they are clearly defined and measurable to be guidance for management and other employees.	✓	
2.3	The board of directors oversees the clear line of roles and responsibilities of the board committees and senior management and compliance with law and regulations. This includes the roles and responsibilities of audit committee, external auditors, internal auditors and the person with responsibility for financial reporting.	✓	
2.4	The director is competent and has expertise in business or ability to request for the experts when needed.	✓	
2.5	The board of directors consists of sufficient number of independent directors who are knowledgeable and independent.	✓	
2.6	The board of directors oversee the development and execution of internal control system including control environment, risk assessment, control activities, information and communication, and monitoring activities.	✓	

3. With the board oversight, Management establishes structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.

	Question	Yes	No
3.1	Management establish organization structure which support the organization's goal, which taking into account business, regulation, and effective internal control system e.g. segregation of duties.	✓	
3.2	Senior management defines reporting line which considered appropriate accountabilities, responsibilities and communication channel.	✓	
3.3	Clear and appropriate authority delegation of authority among the board of directors, senior management, management and staff is in place.	✓	



## 4. The organization demonstrates a commitment to attract, develop, and retain competent individuals.

	Question	Yes	No
4.1	Policies and practice to attract, develop, and retain competent individuals is in place and is reviewed regularly.	✓	
4.2	The organization has processes of performance evaluation, incentive, reward and penalty. The processes are communicated to all level of management and employees.	✓	
4.3	The organization has a procedure to handle insufficiency of competent staff properly.	✓	
4.4	The organization has a human resource management process of recruiting, development, mentoring, coaching, retaining for all level of management and employees.	✓	
4.5	The organization has the appropriate succession plan.	✓	

## 5. The organization holds individuals accountable for their internal control responsibilities in the pursuit of objectives.

	Question	Yes	No
5.1	The board of directors and management establish the mechanisms to communicate and enforce accountability for performance of internal control responsibilities across organization and implement corrective action as necessary.	✓	
5.2	The board of directors and management establish proper performance evaluation, incentives, and rewarding system taking into account code of conduct, short-term and long-term business objectives.	✓	
5.3	The board of directors and management align incentives and rewards with the fulfillment of internal control responsibilities in the achievement of objectives.	✓	
5.4	The board of directors and management evaluate and adjust pressures associated with the achievement of objectives as they assign responsibilities.	✓	

## Risk Assessment

6. Organization specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.

	Question	Yes	No
6.1	The organization complies with the Generally Accepted Accounting Principles (GAAP) that are appropriate for its business and ensures the existence, completeness, rights and obligation, and valuation.	✓	
6.2	The organization defines financial materiality by assessing factors such as stakeholders, transaction size, and business trends.	✓	
6.3	The organization's financial statements reflect actual operational activities.	✓	
6.4	The board of directors or the Risk Management Committee approves and communicates risk management policies to management and employees as part of the organization culture.	✓	

7. The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as basis for determining how the risks should be managed.

	Question	Yes	No
7.1	The organization identifies comprehensive risk that may affect the operational activities at corporate level, entity level, unit level, and functional level.	✓	
7.2	The organization assess comprehensive risk that may result from internal and external factors, including strategic risk, operational risk, reporting risk, compliance risk, and IT risk.	✓	
7.3	Management of all level participates in risk management.	✓	
7.4	The organization prioritizes risk through frequency and impact assessment.	✓	
7.5	The organization has measures and plans to manage risk through risk acceptance, risk reduction, risk avoidance, or risk sharing.	✓	

8. The organization considers the potential for fraud in assessment risks to the achievement of objectives.

	Question	Yes	No
8.1	The organization assess fraud risk resulting from falsify reporting, financial loss, orruption, management override internal controls, misrepresentation of material reports, or mbezzlement.	✓	
8.2	The organization reviews its performance measurements through achievement likelihood assessment and reviews incentive program to ensure that it does not encourage misconduct such as unrealistic target to encourage misrepresentation.	✓	
8.3	Audit Committee reviews and inquires management regarding fraud likelihood and fraud preventive and corrective measures.	✓	
8.4	The organization communicates to its employees to ensure that they understand and comply with policies and guidelines.	✓	

## 9. The organization identifies and assesses changes that could significantly impact the system of internal control.

	Question	Yes	No
9.1	The organization assesses external changes that may affect its operation, internal control, and financial reporting; and defines sufficient measures to respond to those changes.	✓	
9.2	The organization assesses changes in business operation that may affect its operation, internal control, and financial reporting; and defines sufficient measures to respond to those changes.	✓	
9.3	The organization assesses changes in organization leaders that may affect its operation, internal control, and financial reporting; and defines sufficient measures to respond to those changes.	✓	

## Control Activities)

## 10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

	Question	Yes	No
10.1	The organization's control measures are appropriate with its organization specific risks such as environmental, operational complexity, functional, operational boundary, and other specifics.	✓	
10.2	The organization has written internal control measures that appropriately covers its activities, which includes roles and responsibilities, and clearly indicate level of authority to prevent fraud. 10.2.1 Collect and regularly update information on major shareholders, Directors, Management, and their related parties to assist in monitoring and reviewing related party transactions or conflict of interest transactions. 10.2.2 In case the organization approves or enters into long-term contract with related party, the organization monitors to ensure compliance throughout the contract duration.	✓ ✓	
10.3	Control activities include a range and variety of controls and may include a balance of approaches to mitigate risk, considering both manual and automated controls, and preventive and detective controls.	✓	
10.4	Management considers control activities at various levels in the entity.	✓	
10.5	The organization segregates the following duties: (1) approval (2) data entry (3) custodial	✓	

11. The organization selects and develops general control activities over technology to support the achievement of objectives.

	Question	Yes	No
11.1	The organization should determine the dependency and linkage between business processes and technology general controls.	✓	
11.2	The organization should have a proper control on IT infrastructure.	✓	
11.3	The organization should have a proper IT security system.	✓	
11.4	The organization should have a proper control on acquisition, development and maintenance of IT system.	✓	

12. The organization deploys control activities through policies that establish what is expected and in procedure that put policies into action.

	Question	Yes	No
12.1	The organization has a policy that prevents major shareholders, directors, management from trading based on inside information by using approval process guided by regulators.	✓	
12.2	The organization has a policy indicated that transaction approval process has to be executed by an independent without conflict of interest.	✓	
12.3	The organization has a policy indicated that transaction approval processes are based on arm's length principle.	✓	
12.4	The organization has a process to monitor performance and provide directions to its subsidiaries.	✓	
12.5	The organization defines roles and responsibilities for its management and employees to carryout policies and processes.	✓	
12.6	The policy and its process have been implemented appropriately by experienced persons including covering corrective action process	✓	
12.7	The organization reviews the appropriateness of its policies and processes regularly.	✓	

(Information & Communication)

13. The organization obtains or generates and users relevant, quality information to support the functioning internal control.

	Question	Yes	No
13.1	A process is in place to identify quality and relevance internal and external information required to achieve the objectives.	✓	
13.2	Information usage costs and benefits are considered. The consideration should include quantity and correctness of information.	✓	
13.3	The board of directors has material information sufficiently to make decision. The information may include detail of the agenda, reason, impact to the organization and optional solution.	✓	
13.4	The organization has processes to schedule the board meeting and provide necessary and sufficient supporting information before a specific time as the requirement by laws or regulation.	✓	
13.5	The organization should document sufficient information in the board of directors' minute of meeting to ensure appropriateness of directors duties, for examples, memo probing the question to management, comments and reason of disagreement	✓	
13.6	The organization has proper 13.6.1 Document retention process to ensure completeness and filing of all important document. Control deficiencies and corrective action report from both external and internal auditors.	✓ ✓	

14. The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.

	Question	Yes	No
14.1	The organization effectively communicates relevant and timely information regarding internal control to external parties and provides appropriate communications channels.	✓	
14.2	The organization reports material information to the board of directors consistently. Otherwise, the board of directors is enabled to access necessary information regards of their duties or reviews transaction i.e. the directors allows to request information from assigned a contact person, external auditors, internal auditors and they can request for the board meeting and other meeting between directors and senior managements.	✓	
14.3	The organization provides separate communication channels, such as whistle-blower hotlines, are in place and serve as fail-safe mechanisms to enable anonymous or confidential communication from internal parties.	✓	

15. The organization communicates with external parties regarding matters affecting the functioning of internal control.

	Question	Yes	No
15.1	The organization effectively communicates relevant and timely information regarding internal control to external parties and provides appropriate communications channels i.e. investor relation and customer complain hotline.	✓	
15.2	The organization provides separate communication channels, such as whistle-blower hotlines, are in place and serve as fail-safe mechanisms to enable anonymous or confidential communication from external parties.	✓	

#### Monitoring Activities

16. The organization selects, develops, and performs ongoing and/ or separate evaluations to ascertain whether the components of internal control are present and functioning.

	Question	Yes	No
16.1	The organization develop the code of ethics and establish conflict of interests ongoing evaluation process i.e. employees perform self-evaluation and report to their supervisor and the internal auditors performs auditing and report to audit committee.	✓	
16.2	Has internal evaluation this may perform by employees' self-evaluation or using internal audit to conduct separate evaluation.	✓	
16.3	Management varies frequency of evaluation depending on changing condition.	✓	
16.4	Evaluators who perform ongoing and separate evaluations have sufficient knowledge to understand what is being evaluated.	✓	
16.5	Internal audit department has direct reported line to audit committee.	✓	
16.6	The organization supports the internal audit activities to comply with International Standards for the Professional Practice of Internal Auditing, IIA.	✓	

17. The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.

	Question	Yes	No
17.1	The organization evaluates and communicates material internal control deficiencies in a timely manner to those parties responsible for taking corrective action	✓	
17.2	The organization develop policies for reporting the control deficiency including: 17.2.1 Management report the facts and circumstances of significant fraudulent act, illegal acts and the other circumstance that impact over reputation and financial reporting to Board of Directors in a timely basis. 17.2.2 Report significant control deficiency and propose its corrective action to the board of directors/audit committee. 17.2.3 Report status of remediation plan or corrective action to board of directors/ audit committee.	✓	



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