



TPI POLENE POWER Public Company Limited



# **& CLEAN GREEN**

RENEWABLE ENERGY

**Annual Registration Statement/Annual Report 2021**  
**56-1 One Report 2021**

TPI POLENE POWER Public Company Limited



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# VISION

## VISION

The Company is a leader in the business of power generation using clean and efficient renewable energy sources, a “Clean and Green Energy Producer”, and focuses on technology development and innovation in all areas of operations to be the largest waste disposal plant in the country and in the ASAN region to reduce the problem of greenhouse gas emissions to zero or negative. In addition, the Company intends to operate its businesses by adhering to the principle of environmental, social, and good corporate governance and responsibility.









## Environmental

Upgrading clean energy production while alleviating environmental problems at the same time to achieve the goal of net zero greenhouse gas emissions towards sustainable development



## Social

Promote creativity and improve the quality of life of stakeholders and strengthen Thai society on the basis of sustainable growth



## Governance

Committed to operating the power generation business with the highest efficiency with good corporate governance











# M

## essage from The Board of Directors

Dear Shareholders,

**“Towards ESG to reduce greenhouse gas emissions  
for sustainable development”**

**“CLEAN & GREEN ENERGY PRODUCER FOR OUR HEALTHY COUNTRY”**

TPI Polene Power Public Company Limited (“Company”), is a leading operator of Municipal Solid Waste (MSW)-fired power plants in Thailand, with the largest and most successful waste-to-energy power plant operations in the country and in the ASEAN region. It is the largest municipal waste disposal plant in Thailand and also the largest single-location municipal waste disposal facility in the world.

Throughout the past, the Company has been one of the leading organizations focusing on sustainable growth by linking the Sustainable Development Goals (SDGs) with corporate strategy to grow in all areas, including on economy, environment and society. The Company emphasizes corporate governance (Environmental Social Governance: ESG) in order to manage the business for the benefit of all stakeholders in a balanced manner.



## Strong earnings growth

The COVID-19 pandemic around the world has affected economic activities and resulted in higher raw material costs; however, the company was still able to maintain its maximum capacity utilization rate as targeted. In 2021 the Company and its subsidiaries registered total sales revenue of Baht 11,074 million, close to Baht 11,119 million in 2020. The net profit in 2021 was Baht 4,191 million, a decrease of 6.98%, compared to a net profit of Baht 4,506 million in 2020.

## Target TPI Polene Group to be a Net Zero Greenhouse Gas Emission Producer

The Board of Directors and the management follows a policy conducting business to achieve a Net Zero Greenhouse Gas Emission. TPI Polene Group always pledges its commitment to continuously pursue and research innovations for its power plants to enhance maximum efficiency to serve the need for clean power energy and reduce energy from fossil fuels. This is part of our commitment to the preservation of the environment. TPI Polene Group aims to be a Net Zero Greenhouse Gas Emission Producer by using 90-100% of the company's waste fuels, instead of fossil fuels, in its power production and using 30-40% of waste fuel in the cement plants of TPI Polene Plc. The Company also implemented environmental-friendly low-carbon production processes that helped eliminate the PM 2.5 problem and the overall global warming problem caused by greenhouse gases, and waste problems in communities. This was a response to the government's policy which made its international commitment that Thailand would fully raise the level of its climate response in order to achieve Thailand's goal of net zero greenhouse gas emissions by 2050. In addition, the Company aims to be the country's community waste disposal plant to tackle climate change due to the greenhouse effects.

By the end of 2021, the Company was certified by TGO of the amount of greenhouse gas reductions (carbon credits) from the project to use community waste as fuel, amounting to 59,526 tons of carbon dioxide equivalent. The Company is in the process of being registered with TGO (for the project to use waste as fuel) to certify the amount of greenhouse gases that have been reduced (carbon credits) for approximately 709,752 tons of carbon dioxide equivalent.

In 2021, the Company reduced greenhouse gas emissions by 5.08 million tons equivalent (registered carbon credits were in the process of being approved by TGO) from the amount of waste that has been sorted for use as fuel, about 2.19 million tons.(reducing landfills which leads to greenhouse gas emissions).

## The largest single-location disposal facilities in the world which helps eliminate COVID-19 infected waste

The company focuses on growing in the clean and green energy power generation business, along with environmental conservation using Municipal Solid Waste to generate power which is continually helping to reduce the amount of waste in the country. This is in line with Thailand's energy management development plan and is in response to the government's intention to urgently focus on solving urban waste problems. In 2021, the company disposed solid waste infected with COVID-19, in a total amount of 3,892 tons. The Company burned this waste properly every day during the COVID-19 pandemic.

In 2021, the Company opened a MSW-fueled power plant, Plant No.2, with 4 additional production lines (Production line 10-13) and installed capacity of 2,400 tons of MSW fuel per day to sell the quality-improved MSW fuel produced to cement plants to be used, instead of coal, in the cement production of TPI Polene Public Company Limited. This led to an increase in the Company's installed capacity of MSW fuel totaling 7,200 tons per day in 2021, which is equivalent to the amount of MSW disposal of approximately 14,400 tons per day, making the Company the largest single-location community waste disposal plant in the world. The Company's waste fuel plants were able to dispose of 2.19 million tons of municipal waste in 2021.

In 2022, the Company plans to operate another waste fuel production plant, Plant No.3, with 5 additional production lines (Production line 14-18) with installed capacity of 4,500 tons of MSW fuel per day to feed waste fuel for the Company's coal-fired power plant (TG7), which will switch from using coal fuel to 100% waste fuel. This will result in the Company having a total installed capacity of 11,700 tons of waste fuel per day, which is equivalent to the amount of waste disposal of 23,400 tons per day.

In addition, in 2025, the Company will launch a project to improve its power plant (TG8) to switch using coal as a fuel to using 90-100% waste instead, which will enable the Company to produce power from waste fuel, which is clean energy.

### **Joining forces to help society, our communities, and our employees**

TPI Polene Power Public Company Limited joined forces to alleviate the suffering of society, our communities, and our employees from the spread of COVID-19 in 2021 and launched other social assistance projects, totaling approximately Baht 126.04 million, which can be summarized as follows: Supported the Respiratory Extension Project to purchase "High-flow machines" for the Siriraj Foundation; supported the purchase of a mobile X-ray truck for Chana Hospital, Songkhla Province to help village visit initiatives in the South; supported the purchase of a high-flow oxygen machine, a Powered Air Purifying Respirator (PAPR), a negative pressure stretcher, and an ISOLATOR, etc., for Songkhla Provincial Public Health Office to be used in 6 hospitals, namely Jana Hospital/ Somdet Na Nathawi Hospital/ Thepha Hospital/Saba Yoi Hospital/ Sadao Hospital/ Padang Besar Hospital and supported the purchase of a mobile vehicle for Songkhla Nakarin Hospital, Faculty of Medicine, Songkhla Nakarin University; donated TPI Polene bio-sanitary products to medical personnel, front line staff, and COVID-19 patients, at Siriraj Hospital, 14 hospitals and field hospitals in Saraburi Province, and police hospitals; supported TPI boards to build shower rooms for Busarakham Field Hospital (Muang Thong Thani); supported the construction of a field hospital at Lerdsin Hospital and supported the purchase of 31,000 boxes of rice to give to medical personnel at the Central Bang Sue Vaccination Service Center including providing rice, dry food and bio-sanitary products from the TPI Polene Group to the Songkhla Provincial Administrative Organization and people in the areas of Na Thap, Taling Chan, Sakom and Chana, Songkhla Province.

TPI Polene Group also provided testing equipment for all employees to get tested for COVID-19 including the provision of vaccines against the coronavirus for all employees and provided a set of TPI Polene bio-sanitary products for employees and their families continuously so that they had good health and immunity against COVID-19.

## Continuing to invest in the construction of selected MSW-fired power plants

In 2021, the Company was selected to implement MSW-fired power plant projects in Songkhla (7.92 MW) and Nakhon Ratchasima (9.9 MW) Provinces with a total power sales volume of 17.82 MW, and disposal fees, for a period of 20 years. Currently, the company is in the process of preparing an environmental impact assessment report, together with having the power plant contractor company survey the area to design the power plant construction. It is expected that construction will begin in the second quarter of 2022 and will take approximately 2 years to complete.

In addition, the Company has a standing policy to seek new opportunities to invest in the MSW-fired power plant projects. The government will set conditions for the private sector to participate in the bidding process under the Power Development Plan (PDP) of the country and according to government policy.

## Investment development project in the coastal areas of Songkhla Province

Due to security problems in the four southern border Provinces, the Southern Border Provinces Administrative Center (SBPAC) asked the Company to help develop the economy in Chana District, Songkhla Province, to help bring about peace in the South by improving the well-being of people in Songkhla and in the four southern border Provinces in the same way that Thai Petrochemical Industry PCL. helped develop the eastern coastal area under the leadership of General Prem Tinsulanonda 40 years ago. This issue was passed through the National Security Council and the SBPAC held meetings with various groups in the lower south and the Cabinet finally issued a resolution of the approval of Chana District, Songkhla Province as a Special Economic Zone (SEZ).

As a result of the experience of the Company's executives who initiated investment projects in the Eastern Seaboard which is the starting point for driving the economy of Thailand, the income of the population in Rayong is consistently high, and all dimensions of the industry, namely upstream, mid-stream and downstream continues to grow today. The Company therefore has an idea to invest in the Southern Seaboard Development Project or Prototype City of Advanced Futuristic Industries (PAFI) in Chana District, Songkhla Province, with an investment value of approximately Baht 300 billion to develop:

1. Future Industrial Estate Project and agricultural industry (excluding the petrochemical industry) will create added value for agricultural crops in the South especially the rubber processing industry which will increase the value of rubber, instead of exporting raw rubber which has a low economic value, bio-tech industry such as organic fertilizer, biopharmaceutical medicine, industry projects related to renewable energy such as solar cells, silicon chip, integrated silicon industry, wind turbine, labour-saving robotics machine, electric vehicle battery. In addition, various wastes that occur in industrial estates will be disposed of and used as fuel for additional power generation.
2. "Zero Pollution Clean & Green Energy" Power Plant Project is a clean energy power plant initiative which uses natural gas, biomass, and other renewable energy sources as a clean fuel for power generation.
3. A deep seaport and a distribution center will be constructed to create a transportation network for the future of export and import goods including the development of public utilities in the area for maximum benefit.
4. A smart city building project will be managed with modern technology to be a health center and economic and financial center.

These projects will improve the well-being of people in the South and nearby areas. This is in line with the government's policy to develop special economic projects in the southern region to strengthen security through industrial promotion, export and import of goods, and employment.

The Company is ready to continue investing in the Southern Seaboard Development Project or Prototype City of Advanced Futuristic Industries (PAFI) in Chana District, Songkhla Province as a part of the national security policy and to increase the potential for economic, social and resource utilization for maximum benefits. This will help minimize environmental impact both on land and at sea and will take into account all stakeholders to improve the economic and societal conditions in the southern border Provinces.

### **Awards that made us proud**

TPI Polene Group is committed to its policy of driving business towards sustainable development, keeping balance in the environment, reducing greenhouse gas emissions which cause global warming. It also focuses on social responsibility and achieves good corporate governance by adhering to its business ethics, preventing conflicts of interest, practicing anti-corruption, and managing organizational risk. It also conducts business with fairness to all stakeholders, such as prioritizing the occupational management system, and the health and safety of employees and stakeholders with a commitment to improve well-being and prevent hazards, including promoting safe working environment against COVID-19. This also includes the practice of human rights principles during hiring and taking care of employees so that they feel connected as a family within the organization. In addition, the company is committed to cooperating with all suppliers in accordance with the supplier's sustainability practice guidelines.

With determination and by focusing on work processes that create sustainable growth, in 2021 the Company was granted the Green Industry Certificate Level 4 for its power plants by the Ministry of Industry. This is another step toward the economic development of Thailand through the promotion of the industrial sector to conduct business that is environmentally and socially friendly to build a green economy. This will make the country's green gross domestic product (Green GDP) higher. It is a great honor for the group of companies to have a factory that received Green Industry Certificate Level 4 by passing "Green Culture" criteria.

The Company was also named one of Asia's Most Influential Companies 2021 and received the Asia Corporate Excellence & Sustainability Awards (ACES) organized by the MORS Group, a media organization from Malaysia. The company was one of the three companies in Thailand that received this award in the category of organizations that specialize in waste-to-energy power plant. It is also a company that has a business model in accordance with Bio Circular Green ("BCG") and Environmental Social Governance ("ESG") guidelines. In addition, the Company, the largest waste-to-energy power plant in the ASEAN region, has been awarded the Most Innovative Initiative Towards Waste Processing Plant 2021 by International Finance Magazine (IFM), the leading global business and finance magazine.

In addition, the Company was included on the ESG100 Sustainable Securities List for 2021, and recognized as an outstanding organization for environment, social, governance and sustainable growth by the Thaipat Institute. In addition, the company received the ESG -Performance Award at Gold Level from the Thaipat Institute, which measures 30 ESG indicators from WFE ESG Metrics of the World Federation of Exchanges in 2021.



On behalf of the Company, the Company's Board of Directors would like to take this opportunity to thank all related parties for their ongoing support and trust in the Company to create continuous progress for the organization, to motivate the management team and all levels of the Company's staff to overcome obstacles, and to achieve the goals of building stability in the organization with integrity, enhancing the economic strength of the country, supporting the public well-being and consistently protecting the surrounding environment to further enhance the sustainable growth of the country.

Sincerely Yours,

A handwritten signature in black ink, consisting of a large 'P' followed by several loops and a long diagonal stroke extending upwards and to the right.

**Mr. Prachai Leopairatana**  
**Chairman**



# Financial Highlights

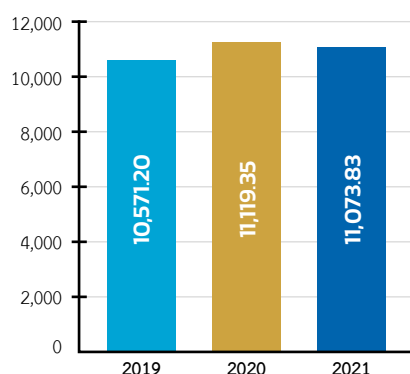
	2019	2020	2021
<b>Statements of Income (million BHT)</b>			
Revenue from sale	10,571.20	11,119.35	11,073.83
Total Revenues	10,905.83	11,444.00	11,358.26
Cost of Sales	5,529.73	6,027.66	6,186.73
Gross Profit	5,041.47	5,091.69	4,887.10
EBITDA*	5,504.81	5,750.24	5,397.49
Net Profit	4,606.81	4,505.83	4,191.33
<b>Statement of Financial Position (million BHT)</b>			
Total Assets	37,852.57	43,775.15	48,485.35
Interest Bearing Debt	8,000.00	12,899.66	16,174.05
Total Liabilities	10,742.24	14,847.01	17,633.53
Paid-up Capital	8,400.00	8,400.00	8,400.00
Total Equity	27,110.33	28,928.14	30,851.82
<b>Financial Ratios</b>			
Gross Profit Margin (%)	47.69	45.79	44.13
Net Profit Margin (%)	42.24	39.37	36.90
EBITDA Margin (%)	52.07	51.71	48.74
Return on Assets (%)	13.28	11.04	9.09
Return on Equity (%)	17.66	16.08	14.02
Debt to Equity (Times)	0.40	0.51	0.57
Interest Bearing Debt to Equity (Times)	0.30	0.45	0.52
Net Interest-Bearing Debt to Equity (Times)	0.17	0.33	0.37
Interest Bearing Debt to EBITDA (Times)	0.85	1.67	2.09

\* EBITDA calculated from revenue from sale of power and goods + revenue from adders + other income – cost of sales of power and goods - distribution costs – administrative expenses + depreciation

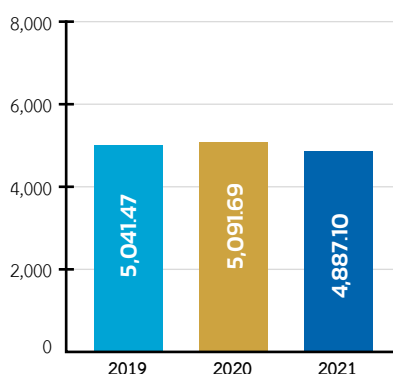
## Total Revenues and Profit

(unit: Million Baht)

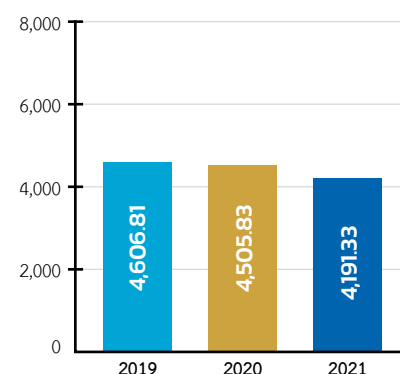
### Revenue from Sales



### Gross Profit



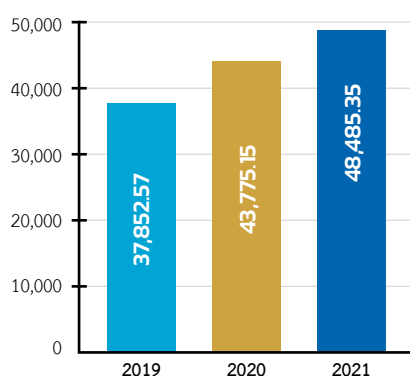
### Net profit



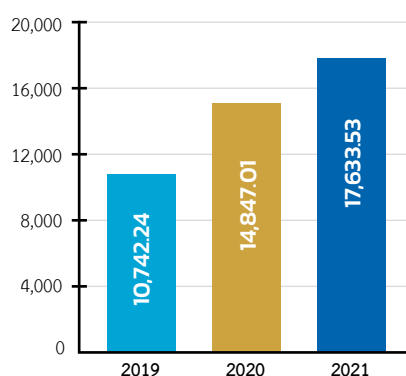
## Financial Status

(unit: Million Baht)

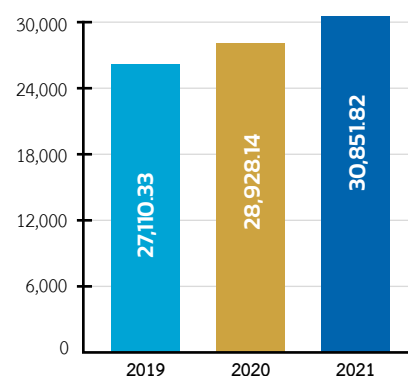
### Total Assets



### Total Liabilities



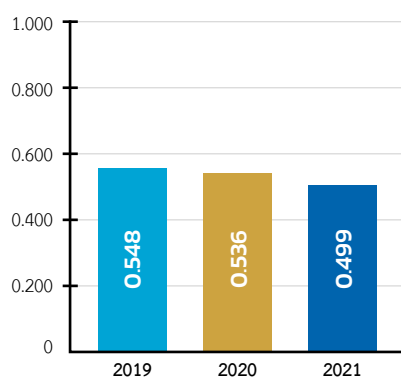
### Total Shareholders



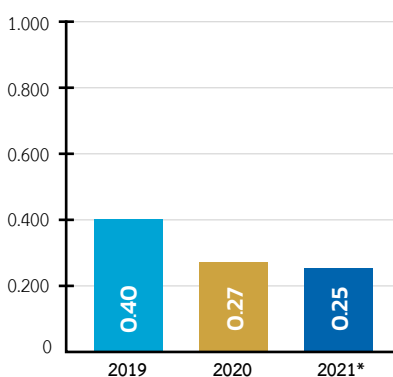
## Profits and Dividends

(unit: Million Baht)

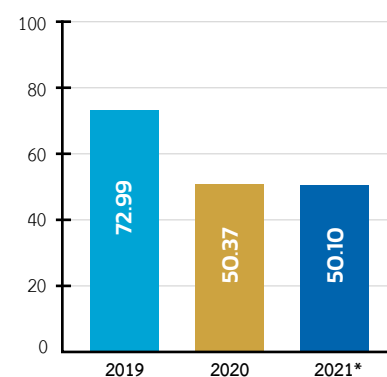
### Earnings per Share



### Dividend per Share\*



### Dividend Yield\* (%)



\* The dividend payment for the Company's 2021 performance divided into an interim dividend payment for the first half of 2021 performance at the rate of Baht 0.12 per share, which was already paid to shareholders, and the payment for performance during the second half of 2021 at Baht 0.13 per share, which has been considered and approved by The Board of Directors in the Company's Board of Directors' meeting no.2/2022 and is required to be approved in the 2022 Annual General Shareholder's Meeting.

# Awards That Made Us Proud

## 1. Honors, Awards and Certifications

### Greenhouse Gas Reduction



#### 1. Thailand Voluntary Emission Reduction: T-VER

The Company registered its Thailand Voluntary Greenhouse Gas Emission Reduction (T-VER) for the project to convert municipal solid waste into fuel by Thailand Greenhouse Gas Management Organization (Public Organization) or TGO.



#### 2. Low Emission Support Scheme: LESS

The Company implemented projects to support greenhouse gas reduction activities such as light bulb replacements at Turbine (TG1-7) and Cooling Towers which were assessed to reduce greenhouse gas emissions by 280.013 tons CO<sub>2</sub> equivalent (April 1, 2020 - February 28, 2021).

### Management System Certification



3. The Company was accredited with the management system according to International Organization for Standardization (ISO) by Socotec Certification (Thailand) Co., Ltd

4. **ESG100 2021:** The Company was on Top Sustainable Securities List for Outstanding Organization for Environment, Society, Good Governance and Sustainable Growth by the Thaipat Institute.

### Building Social Responsibility



#### 5. CSR-DIW Award and CSR-DIW Continuous Award

The Company complied with the responsibility of industrial businesses towards society by the Department of Industrial Works, Ministry of Industry.



## Sustainable industrial and business development



### 6. Green Industry Award Level 4 and Level 3 for

- TG Power Plants 1, 2, 3 received GI Level 4 certification, **Green Industry Level 4: Green Culture**, which means that everyone in the organization cooperates with one another, operates in an environment-friendly manner in all aspects of business operations until it becomes part of the corporate culture.
- TG 4, 5, 6, 7 and 8 power plants have been certified **GI Level 3, Green Industry Level 3: Green System**, which is a systematic environmental management with monitoring, evaluating, and reviewing for continuous improvement including certification of various environmental standards.

## Promoting and supporting energy conservation and renewable energy development



### 7. Thailand Energy Awards:

Outstanding Award for Renewable Energy by the Department of Alternative Energy Development and Efficiency, Ministry of Energy

- The On-Grid Transmission System Projects ,Waste-to-Energy Power Plant 20 MW, Waste-to- Energy Power Plant 60 MW, Waste-to-Energy Power Plant 70 MW.
- The Off-Grid Transmission Line Projects, the renewable fuel from community waste project 2 1 and the renewable fuel from community waste project 2
- Renewable Energy Application Project (Project to increase efficiency and reduce downtime of renewable fuel (waste) power plants, 60 MW)



**ASEAN Centre for Energy**  
One Community for Sustainable Energy

### 8. ASEAN Energy Awards

by the Department of Alternative Energy Development and Efficiency, Ministry of Energy

- **1st Runner-up:** Renewable Energy: The On-Grid transmission system Projects, Waste-to-Energy Power Plant 60 MW
- **2nd Runner-up:** The Off-Grid transmission line Projects, the renewable fuel from community waste project

## 2 Sustainable Business Operations

### Sustainable Business Operations



#### 9. Gold Level ESG

The Company received the ESG -Performance Award at the Gold Level from the Thaipat Institute, which measures 30 ESG indicators from WFE ESG Metrics of the World Federation of exchanges.



#### 10. Asia's Most Influential Companies

The Company was also named one of Asia's Most Influential Companies 2021 and received the Asia Corporate Excellence & Sustainability Awards (ACES) organized by MORS Group, a media organization from Malaysia.

#### 11. Most Innovative Initiative Towards Waste Processing Plant

The Company has been awarded the Most Innovative Initiative Towards Waste Processing Plant 2021 by International Finance Magazine (IFM), the leading global business and finance magazine. (No award given yet)

#### 12. "Sustainability Disclosure Acknowledgement" Award

The Company received the "Sustainability Disclosure Acknowledgement" Award 2021, by the Thaipat Institute. to encourage listed companies and business organizations that are members of the Sustainability Disclosure Community (SDC) to realize the importance of the dissemination of operating information, including economic, social, environmental or ESG issues.



**TPI Polene Power Public Company Limited**

# 1 Business Operations and Performance

## 1. Structure and Business Operations of the Group

TPI Polene Power Public Company Limited (“TPI Polene Power” or “the Company”), (abbreviated: TPIPP), was listed on the Stock Exchange of Thailand on April 5, 2017. The Company is a power plant operator in Thailand, with the largest waste-to-energy power plant operations in the country in terms of installed waste-to-energy power generation capacity, according to AWR Lloyd and is the largest waste-to-energy power producer in the ASEAN region. The Company operates three types of power plants, namely, waste-fired power plants, waste heat recovery power plants and coal-fired power plants.

As of December 31, 2021, the Company had eight commercially operating power plants with a total of 440 MW of installed power generation capacity, dividing into three groups. First, waste- fired power plants with an installed power generation capacity of 180 MW, sold power to the Electricity Generating Authority of Thailand (“EGAT”) under Power Purchasing Agreement (“PPA”) of 163 MW. Second, waste heat recovery power plants with an installed power generation capacity of 40 MW, sold power to TPI Polene Public Company Limited (“TPIPL”), which is the parent company and is a leader in the cement manufacturing and distribution business and the plastic pellets business in the country, under Power Purchasing Agreement (“PPA”) of 40 MW. Third, coal-fired power plants with an installed power generation capacity of 220 MW, sold power to TPIPL under a Power Purchasing Agreement (“PPA”) of 190 MW. All of the Company’s power plants are located in the same vicinity as TPIPL’s cement production plants in Kwangchow, Saraburi Province in Thailand, which can be summarized as follows:

	Unit	Installed Capacity	Contracted Capacity ( PPA)	Off-taker/ Buyer
1. Waste-fired Power Plants	MW	180	163	EGAT
2. Waste Heat Recovery Power Plants	MW	40	40	TPIPL
3. Coal-fired Power Plants	MW	220	190	TPIPL
<b>Total</b>	<b>MW</b>	<b>440</b>	<b>393</b>	
4. Waste fuel Plant	Ton / day	7,200 *		Own use and sell to TPIPL

**Note :** \*equivalent to waste disposal of 14,400 ton/ day

The Company is a large operator, a pioneer, and a leader in the waste-to-energy power plant business with significant experience; therefore, it has competitive advantages over other competitors with the proven ability to manage the successful projects in a concrete way. In addition, the Company operates a waste fuel production plant to support the demands of power plants. At present (December 31, 2021), the Company’s waste fuel plant has installed capacity to support community waste as raw material into the production process, totaling 14,400 tons per day, which can produce waste fuel of 7,200 tons per day. The Company uses the waste fuel produced as fuel for the waste fuel power plant and has sold some of the waste fuel to the cement plant to replace coal in the cement production process. In addition to MSW, the Company procures both unsorted landfill waste and pre-sorted landfill waste to ensure sufficient waste supplies to support its MSW requirements in power generation plants.

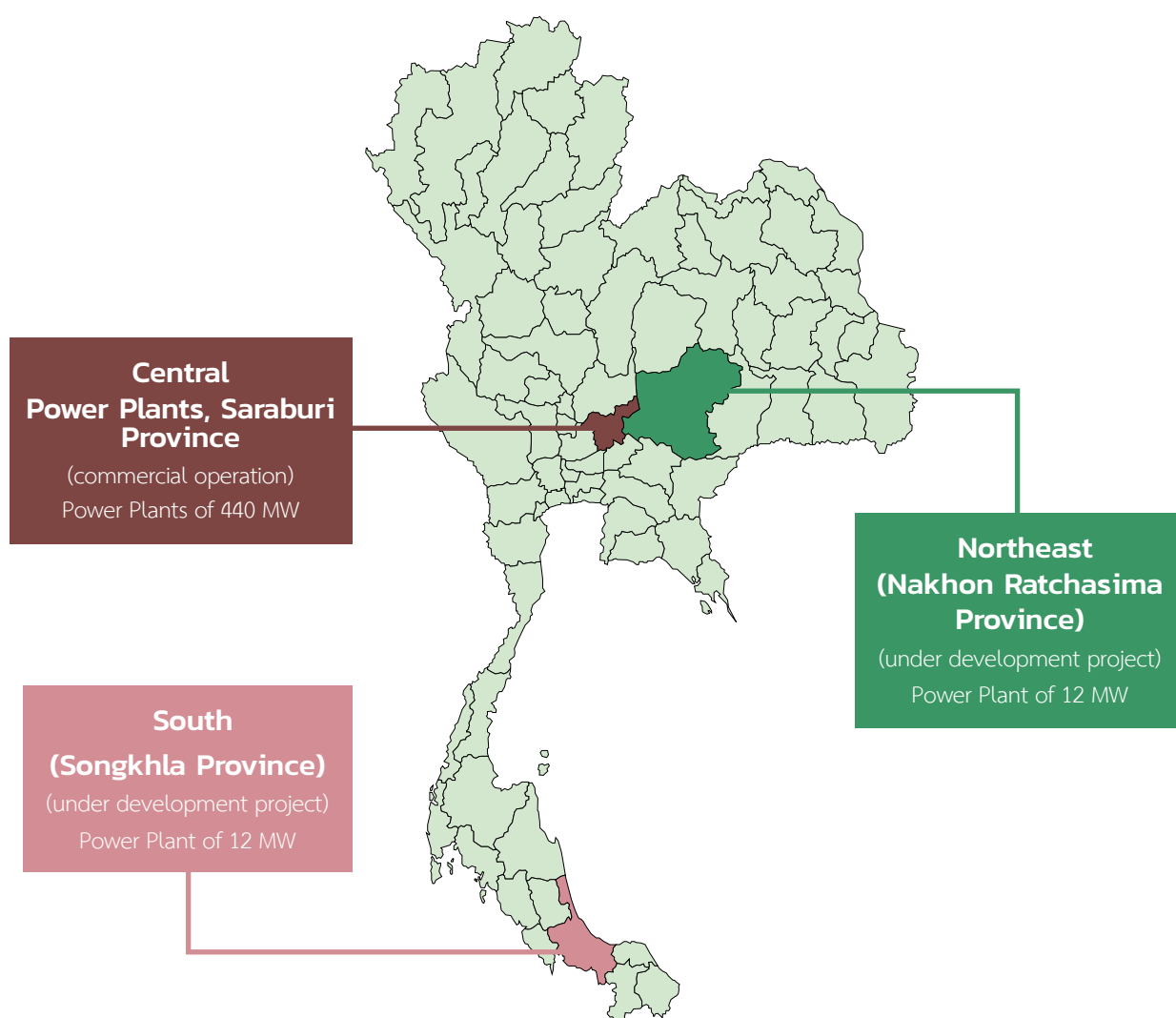


In addition, in 2021, the Company successfully participated in the bidding for two community waste fuel power plant as follows:

	Installed Capacity (MW)	Contracted capacity or PPA (MW)	Off-taker/ Buyer	Estimated commercial commencement
1. Community Waste Power Plant, Songkhla Provincial Administrative Organization	12	7.92	Provincial Electricity Authority (PEA)	2566
2. Community Waste Power Plant, Nakhon Ratchasima Municipality	12	9.90	Provincial Electricity Authority (PEA)	2567
<b>Total</b>	<b>24</b>	<b>17.82</b>		

Remark: Receive compensation in form of waste disposal fee and power sales for a period of 20 years at the rate of Baht 5.78 / unit for the first 8 years and Baht 5.08/unit for the next 12 years

## The Company's Power Plant Project



## 1.1 Policy and Business Overview

### 1.1.1 Vision, Mission, and Business Strategies

**Vision** The Company is determined to maintain its position as a leader in the business of power generation using clean and efficient renewable energy sources, as a “Clean and Green Energy Producer”, and focuses on technology development and innovation in all areas of operations to be the largest waste disposal plant in the country and in the ASEAN region, in order to reduce greenhouse gas emissions to zero or negative. In additions, the Company intends to operate its businesses by adhering to the principle of environmental, social, and good corporate governance and responsibility.

#### **Mission**

1. Support local communities to process community waste into fuel properly and effectively
2. Develop production technologies to adapt to characteristics of waste in Thailand and reduce the cost of waste fuel
3. Improve the production efficiency of power plants including designing and installing equipment to be in a ready-to-use condition to prevent any problems or if there are any problems, they can be solved quickly.
4. Generate power from renewable energy using fuel from community waste to support foundational economy, instead of using coal, in order to reduce the problem of greenhouse gas emissions
5. Promote and develop the potential of personnel to drive the organization to be competitive
6. Maintain a compliance with BCG (Bio-Circular-Green Economy) standards for environmental impact management including making the most out of waste and implementing Zero Waste policy.
7. Conduct business with balanced responsibility for all stakeholders and develop society in parallel with sustainable organizational development

#### **Business Strategy**

1. Expand business growth and investment by focusing on increasing domestic power capacity with an emphasis on clean and green energy such as community waste-fired power plants for a foundational economy and natural gas-fired power plants for energy security.
2. Expand investment in new businesses, by focusing on being a leader in public utilities in the southern region of Songkhla Province, which include industrial park development projects, a natural gas-fired power plant, a solar power plant, deep seaports, distribution centers and a smart city. The Company is ready to jointly invest with business partners to build stability and business growth together.
3. Seek investment opportunities that yield good returns with manageable risk, focusing on investing effectively, reducing costs, reviewing investment plans. and prioritizing investment projects by aiming to improve the return on investment.
4. Focus on bringing technology and innovation to manage business continuity comprehensively and quickly
5. Develop work processes coupled with cost reductions for maximum efficiency
6. Reduce financial costs and manage liquidity and financial risks to be at manageable levels.
7. Manage risks throughout the organization with good corporate governance and build flexibility in adapting to keep pace with business disruption and prepare to look forward to continuously increasing competitiveness
8. Create value for shareholders and investors with stable profit growth, generate good returns, and expand businesses to grow with sustainability
9. Conduct business with responsibility and participate in the development of well-being for society, our communities, and manage operations throughout the entire supply chain, maintaining good relationships with partners and customers, continuously supporting the development of staff abilities to ensure quality of life and the working conditions equal to other leading companies in order to create bonds within the organization.

### 1.1.2. Major Events and developments in the past 3 years

The Company was established mainly for the purpose of operating energy and utility businesses under the name TPI Nylon Company Limited in 1991 and renamed TPI Polene Power Company Limited in 1996.

In 2009, TPI Polene Power Company Limited (as a subsidiary held 99.99% by TPI Polene Public Company Limited at that time) operated the business of generating electricity power from waste heat energy (from the cement production process of TPI Polene Public Company Limited) for sale to TPI Polene Public Company Limited. In 2011, TPI Polene Power Company Limited began operating a business of processing waste into waste fuel.

Subsequently, the Company became a public company by making the initial public offering of 2,500,000,000 ordinary shares (at the par value of Baht 1 per share) and then was listed on the Stock Exchange of Thailand on April 5, 2017; hence, the company's paid-up capital increased from Baht 5,900,000,000 to Baht 8,400,000,000 divided into 8,400,000,000 ordinary shares with a par value of Baht 1 per share, resulting in TPI Polene Public Company Limited reducing its shareholding in the company from 99.99% to 70.24%. Currently, TPI Polene Power Company Limited Public Company Limited is the largest waste-to-energy power producer in Thailand, with a total installed capacity of 440 megawatts.

#### Significant changes and developments in the past 3 years

The following table sets forth the key milestones in the Company Group's history and development:

Year 2019	
January 25, 2019	A 150MW coal-fired power plant (TG 8) became commercially operational and began to sell power to TPI Polene Plc. on January 25, 2019.
August 30, 2019	The Board of Directors Meeting No. 9/2019 resolved to approve the purchase of 999,080 ordinary shares of Zenith International Trading Company Limited at the price of Baht 105.99 per share, representing the total investment value of Baht 105,987,880.20 from TPI Polene Public Company Limited, which was a major shareholder and had common directors. As a result, the Company held 99.998% of the paid-up capital and Zenith International Trading Company Limited became a subsidiary of the Company.
October 4, 2019	1. Established TPI Polene Power (Songkhla) Co., Ltd. on 4 October 2019 with an objective to carry out power generation operations from waste fuel and biomass. 2. Established TPI Solar Power Co., Ltd. on 4 October 2019 with an objective to carry out power generation operations from solar energy. 3. Established TPI Wind Power Co., Ltd. on 4 October 2019 with an objective to carry out power generation operations from wind energy.
October 11, 2019	4. Established TPI Deep Sea Port Co., Ltd. on 11 October 2019 with an objective to carry out the business of port operation
December 26, 2019	The Board of Directors Meeting No. 12/2019 resolved to approve the registration of business termination and liquidation of TPI Polene Power Investment Company Limited (100 %holding), a registered company in Cambodia.
Year 2020	
March 27, 2020	The Board of Directors' meeting resolved to approve the Company to invest in the purchase of 99,993 ordinary shares of TPI Olefins Company Limited at the price of Baht 29.596 per share, representing a total investment value of baht 2,959,396.69, resulting in the Company holding 99.993% of the registered paid-up capital. As a result, TPI Olefins Company Limited became a subsidiary of the Company.

Year 2021	
January 25, 2021	Songkhla Provincial Administrative Organization announced that the Company was the winning bidder to jointly invest with other private companies in the construction and management of the waste disposal system of Songkhla Provincial Administrative Organization.
March 24, 2021	Nakhon Ratchasima Municipality announced that the Company was the winning bidder to jointly invest with other private companies in the construction and management of solid waste disposal system, Phase 2, Nakhon Ratchasima Municipality.
29 September, 2021	The Company and Songkhla Provincial Administrative Organization signed a contract for a procurement project to jointly invest with other private companies in the construction and management of a solid waste disposal system, Songkhla Provincial Administrative Organization.

In 2021, the Company launched a second factory for production of waste fuel with four additional production lines (Production line 10-13) with a total installed capacity of 2,400 tons of waste fuel per day to sell waste fuel to the cement plant of TPI Polene Plc. to replace coal; thus, by the end of 2021 the Company had a total installed production capacity of 7,200 tons of waste fuel per day.

In addition, the Company has continued to study the Prototype City of Advanced Futuristic Industries (PAFI), by applying for benefits from The Board of Investment for the following projects:

1. TPI Songkhla 1700MW Power Plant Project
2. TPI Solar Power Plant Project 1000MW
3. Chana Industrial Park Project, Phase 1
4. TPI Songkhla Container Terminal Project
5. TPI Songkhla Deep Sea Port Project (Tekong Port)
6. TPI Product Distribution Center Project in Songkhla
7. Smart City Development Project (in process)



### 1.1.3 Report on the purpose of using the proceeds from the fund raising

#### 1) Use of proceeds from the offering for sale of debentures

In 2021, the Company issued and sold two tranches of debentures with a total value of Baht 7,523.6 million, which can be summarized as follows:

Proceeds Utilization	Amount (Million Baht)	Period of proceeds utilization	Progress of proceeds utilization
TPIPP debentures No.1/21, valued at Baht 3,000 million to refinance matured debentures	3,000	November 2021	Fully settled in November 2021
TPIPP debentures No.2/21, valued at Baht 4,523.60 million			
1. to refinance matured debentures	1,000.00	November 2021	Fully settled in November 2021
2. to invest in businesses related to current business operations	3,523.60	In 2023	9.9 MW waste fuel power plant in Songkhla Province
		In 2023	12MW waste fuel power plant in Nakhon Ratchasima
<b>Total</b>	<b>4,523.60</b>		
<b>Grand Total</b>	<b>7,523.60</b>		

In this regard, the Company utilized the proceeds from the issuance and offering for sale of debentures for each tranche for the purpose as specified in the Offering Circular of debentures.

The Company has utilized the proceeds from offering for sale of the bill of exchange as working capital for business operations and has fully paid according to the bill of exchange period.

#### 2) Related governing laws for enforcement of debt instruments

Debt instruments are enforced and interpreted under related Thai governing laws.

### 1.1.4 The commitments that the Company has made in the Offering Circular and/or the terms and conditions of the approval of the SEC (if any) and/or conditions for listing securities of the SET (if any).

- None -

### 1.1.5 Name and location of the head office, type of business, company registration number, telephone, fax, company website, total number, and type of outstanding shares

Company's Name	
Company's Name	TPI Polene Power Public Company Limited
Abbreviation in the SET	TPIPP
Registration Number	0107559000184
Nature of Business	The Company operates power plants, focusing on waste-to-energy power plants and waste-heat recovery power plants, and operates petrol and gas stations.
Type of business	Energy and Utilities
Registered Capital and Paid-up Capital	Baht 8,400,000,000 Consisting of 8,400,000,000 ordinary shares, at the par value of Baht 1 each.
Accounting Period	January 1 - December 31
Location	
Head Office Location	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120
Tel. Number	+66 (0) 2213-1039-49, 285-5090-9
Fax Number	+66 (0) 2213-1035, 213-1038
Web Address	<a href="http://www.tpipolenepower.co.th">http://www.tpipolenepower.co.th</a>
Power Plant and RDF Plant	
Location	299 Moo 5, Mittraparp Road, Tambol Tubkwang, Amphur Kangkhoy, Saraburi 18260
Tel. Number	+66 (0) 3633-9111
Fax Number	+66 (0) 3633-9228-30
Investors Relation Unit:	
Tel. Number	+66 (0) 2213-1039 ext. 12985 and 12988
Corporate Secretary	
Tel. Number	+66 (0) 2213-1039 Ext. 12220, 12214
Other Relevant Information	
Share Registrars	Thailand Securities Depository Company Limited
Office Location	The Stock Exchange of Thailand, 93 Rajadapisek Road, Khwang Dindaeng, Dindaeng, Bangkok 10110
Tel. Number	+66 (0) 2009-9000, call center +66 (0) 2009-9999
Fax Number	+66 (0) 2009-9991



Auditor	KPMG Phoomchai Audit Limited
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Statutory Auditor	195 Empire Tower, Floor 48-50, South Sathorn, Yannawa Subdistrict, Sathorn District, Bangkok 10120
Tel. Number	+66 (0) 2677-2000
Fax Number	+66 (0) 2677-2222

Legal Advisor	SCL Nishimura & Asahi Co., Ltd.
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Address	34th Floor, Athenee Tower, 63 Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Tel. Number	+66 (0) 2126-9100
Fax Number	+66 (0) 2126-9120

Legal Advisor for Issuing and Offering debentures	Weerawong, Chinnavat and Partners Co., Ltd.
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Address	540 Mercury Tower, 22nd Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Tel. Number	+66 (0) 2264-8000
Fax Number	+66 (0) 2657-2222

Debenture Registrar
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CIMB THAI PUBLIC COMPANY LIMITED
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Location	44 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330
Tel. Number	+66 (0) 2626-7507-8, +66 (0) 2626-7591
Fax Number	+66 (0) 2657-3390

BANK OF AYUDHYA PUBLIC COMPANY LIMITED
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Location	1222 Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120
Tel. Number	+66 (0) 2926-2000, +66 (0) 2296-5696
Fax Number	+66 (0) 2683-1302

## 1.2 Nature of Business

### 1.2.1 Revenue Structure

The Company's principal businesses are energy and utilities and petrol and gas stations. In its energy and utilities business, the Company primarily operates power plants with a focus on waste fuel-fired power plants and waste heat recovery power plants, that sell power to the Electricity Generating Authority of Thailand ("EGAT"), and waste heat recovery power plants and coal-fired power plants that sell power to TPIPL. To support its waste fuel-fired power generation capacity, the Company operates its waste fuel production plants with the daily installed capacity to process up to 14,400 tons of MSW and produce up to 7,200 tons of waste fuel.

In its petrol and gas stations business, the Company operates petrol and gas stations in Bangkok and other Provinces in Thailand and derives revenue from the sales of petrol, gas, and convenience store goods from these stations.

#### Sales Revenue Structure

Unit: Million Baht

Business	2021		2020		2019	
	Baht Mil.	%	Baht Mil.		Baht Mil.	%
1. Energy & Utilities	10,557.35	95.34	10,586.78	95.21	9,851.49	93.19
2. Petrol and gas stations	516.48	4.66	532.57	4.79	719.71	6.81
<b>Total Revenue from Sales</b>	<b>11,073.83</b>	<b>100.00</b>	<b>11,119.35</b>	<b>100.00</b>	<b>10,571.20</b>	<b>100.00</b>

### 1.2.2 Product information

Products of TPI Polene Power Group can be classified according to the type of business as follows:

#### 1. Energy and Utilities

##### (1) Product characteristics, production capacity and strength

##### 1.1 Power Plant

The Company currently operates three types of power plants: (i) waste heat recovery power plants, which use waste heat emitted during TPIPL's cement production process to generate power; and (ii) waste fuel-fired power plants, which generate power by burning combustible waste known as waste fuel as the primary fuel. (iii) coal-fired power plants. The Company believes that its waste heat recovery power plants and waste fuel-fired power plant operations are well-positioned to benefit from the trend towards renewable energy, and particularly, the Thai government's policy of promoting and supporting power generation from renewable fuel sources.

In selling power to EGAT, all the Company's waste fuel-fired power plants in operation are entitled to an adder of THB3.5 per kWh, which is payable in addition to the base price of power under the power purchase agreements.

As of 31 December 2021, the Company had eight commercially operating power plants with a total of 440 MW of installed power generation capacity. First, waste fuel-fired power plants with an installed power generation capacity of 180 MW, sold power to the Electricity Generating Authority of Thailand ("EGAT") under Power Purchasing Agreement ("PPA") of 163 MW. Second, waste heat recovery power plants and coal-fired power plants with an installed power generation capacity of 260 MW, sold power to TPIPL under Power Purchasing Agreement ("PPA") of 230 MW. All of the Company's power plants are located in the same vicinity as TPIPL's cement production plants in Kangkhoy, Saraburi Province in Thailand. All of these plants are located in the same vicinity as TPIPL's cement production plants in Kangkhoy, Saraburi Province in Thailand. The details are as follows:

**a. WHPP-40MW (TG1&2)**

Located in the same vicinity as TPIPL's cement production plants, this waste-heat-recovery power plant commenced commercial operations in June 2009 and initially consisted of two power generation units each with an installed power generation capacity of 20 MW, totaling 40 MW and used waste heat emitted during TPIPL's cement production process to generate power. The Company sells electricity it produced to TPI Polene Plc., under the power purchase agreement by charging the electricity charge according to the actual electricity sold in each month at the rate of baht per kilowatt-hour. This is equal to the electricity rate per unit according to the time of use rate (TOU). This is the same rate as the power purchase agreement that TPI Polene Public Company Limited purchases directly from the Provincial Electricity Authority without having to charge the highest energy charge (Demand Charge) (the price does not include VAT). The power purchase agreement will expire at the end of the lease period of the land where this power plant is located. According to the lease agreement between the Company as the tenant and TPI Polene Public Company Limited as the lessor, the lease term according to the said lease agreement will end in July 2044. If the Company wishes to renew the contract, the Company must notify to TPI Polene Plc in writing at least 1 month before the end of the original lease period to enter into a new lease agreement.

Under the purchase and service agreement, TPI Polene PCL agrees to sell the waste heat in the form of hot gas released from the cement production process to the company for use in the production of electricity from the waste heat energy of the WHPP-40MW (TG1 & 2).

In addition to the production and distribution of electricity, WHPP-40MW (TG1&2) also derives income from the sale of steam to TPIPL.

**b. Waste Fuel PP-20MW (TG3)**

Waste fuel PP-20MW (TG3) generates power by burning waste fuel as well as partially utilizing waste heat emitted from TPIPL's cement production process. The power plant has an installed power generation capacity of 20 MW. Waste fuel PP-20MW commenced commercial operations in January 2015. The Company sells power generated from waste fuel PP-20MW to EGAT pursuant to the waste fuel PP-20MW PPA, which specifies a contracted power generation capacity of 18 MW. The Company's sale of power from waste fuel PP-20MW to EGAT is on a non-firm basis, and as such, while EGAT is required to offtake power supplied to it from waste fuel PP-20MW, waste fuel PP-20MW is not obligated to supply a minimum amount of power to EGAT under the waste fuel PP-20MW PPA.

Under the waste fuel PP-20MW (TG3) PPA, the Company shall receive a monthly power tariff from EGAT consisting of an energy payment and an adder, subject to value-added tax:

- **Energy payment:** The Company receives an energy payment which is calculated as the product of the actual amount of power supplied to EGAT and an energy payment rate. The energy payment rate is the aggregate of (i) the bulk supply purchase price at which EGAT sells power to power distribution agencies such as the PEA and the Metropolitan Electricity Authority (the "MEA"), subject to adjustments by EGAT; and (ii) a fuel adjustment surcharge for bulk power supply ("Ft"), which is adjusted and announced by the Energy Regulatory Commission of Thailand (the "ERC") every four months.
- **Adder:** The Company also receives an adder at the rate of THB3.5 per kWh of power supplied to EGAT for a period of seven years from the commencement of commercial operations of waste fuel PP-20MW in January 2015.

The waste fuel PP-20MW PPA (TG 3) has a term of five years from the date on which waste fuel PP-20MW first sold power to EGAT and expired in January 2020. As of the expiration of the initial term, this agreement may be renewed for successive five-year terms by mutual written agreement of the parties, executed not less than 30 days prior to the expiration of the initial term (On 22 November 2019, the company sent a written notice to EGAT to inform them of the Company's intention to extend the power purchase contract for a period of five years from January 1, 2020). The Company will receive the adder during the first two years of the next five-year term and the adder for waste fuel PP-20MW (TG 3) will expire in January 2022. After this period, the Company will only receive Energy Payments.

The Company completed the installation of an additional waste fuel boiler of 75 ton per hour capacity at waste fuel PP-20 MW (TG3) in December 2016 which will maximize the utilization rate of power generation and could deliver excess steam to WHPP-40MW (TG1&TG2) to increase the utilization rate of production.

**c. Waste fuel PP-60MW (TG5)**

Waste fuel PP-60MW (TG5) generates power by burning waste fuel as well as partially utilizing waste heat emitted from TPIPL's cement production process. Waste fuel PP-60MW commenced commercial operations in August 2015. The power plant has an installed power generation capacity of 60 MW. The Company sells power generated from waste fuel PP-60MW (TG5) to EGAT pursuant to the waste fuel PP-60MW PPA, which specifies a contracted power generation capacity of 55 MW. The Company's sale of power from waste fuel PP-60MW to EGAT is on a non-firm basis, and as such, while EGAT is required to offtake power supplied to it from waste fuel PP-60MW (TG5), waste fuel PP-60MW is not obligated to supply a minimum amount of power to EGAT under the waste fuel PP-60MW PPA.

Under the waste fuel PP-60MW (TG5) PPA, the Company shall receive a monthly power tariff (excluding VAT) from EGAT consisting of an energy payment and an adder since the commercial operation date of the waste fuel PP-60MW (TG5) in August 2015. The adder will expire in August 2022 and only Energy Payments will be paid to the Company.

The waste fuel PP-60MW PPA (TG5) has a term of five years from the date of which waste fuel PP-60MW first sold power to EGAT and expired in August 2020. As of the expiration of the initial term, this agreement may be renewed for successive five-year terms by mutual written agreement of the parties, executed not less than 30 days prior to the expiration of the initial term (The Company and EGAT have renewed the agreement for a period of five years starting from January 1, 2020). The Company will receive the adder during the first two years of the next five- year term and the adder for waste fuel PP-60MW (TG5) will expire in August 2022. After this period, the Company will only receive Energy Payments.

In addition, the Company completed the installation of the grate boiler in August 2018, which can use unsorted waste and/or waste fuel as fuel. The capacity is 75 tons per hour and has the ability to receive waste of 750 tons per day to increase the amount of steam production to maximize the utilization rate of waste fuel PP-60 MW (TG5).

Waste fuel PP-60MW (TG5) has been granted a promotion certificate from the BOI, which entitles it to a number of benefits including exemptions from certain taxes.



**d. Waste fuel PP-70MW (TG6) and WHPP-30MW (TG4), totaling 100MW, combined as waste fuel PP-100MW (TG4 & TG6)**

Waste fuel PP-100MW consists of (i) WHPP-30MW (TG4) and (ii) waste fuel PP-70MW (TG6) to become a waste fuel power plant of a total capacity of 100 MW (TG4&TG6) to sell electricity to Electricity Generating Authority of Thailand (EGAT) under the power purchase agreement of 90 MW which commenced commercial operations on April 5, 2018.

Under the waste fuel PP-100MW (TG4 and TG6) PPA, the Company shall receive a monthly power tariff (Excluding VAT) from EGAT consisting of an energy payment and an adder since the commercial operation date of the waste fuel PP-100MW (TG 4 and TG 6) in April 2018. The adder will expire in April 2025 and only Energy Payments will be paid to the Company.

The waste fuel PP-100MW (TG4 & TG6) has a term of five years from the date of which waste fuel PP-100MW first sold power to EGAT and will expire in April 2023. As of the expiration of the initial term, this agreement may be renewed for successive five-year terms by mutual written agreement of the parties, executed not less than 30 days prior to the expiration of the initial term. The Company will receive the adder during the first two years of the next five-year term and the adder for waste fuel PP-100MW (TG4 and TG6) will expire in April 2025. After the period, the Company will only receive Energy Payments.

The Company improved the efficiency of operations of WHPP-30MW (TG4) when recovering waste heat from TPIPL's cement production process. This improvement increases WHPP- 30MW's utilization rate and was completed in June 2017.

The Company also installed a waste fuel steam boiler of 75 tons per hour to increase the amount of steam to increase the utilization rate of WHPP-30MW (TG4) for maximum efficiency which can still send the remaining steam to the WHPP-40MW power plant project (TG1 & TG 2).

In addition, the Company installed the Grate Boiler, which can use unsorted waste and/or waste fuel as fuel. The capacity is 75 tons per hour with the ability to receive direct waste of 750 tons per day for a steam boiler to increase the amount of steam production in order to increase the utilization rate of waste fuel PP-70 MW (TG6) for maximum efficiency which commenced operation in December 2018.

WHPP-30MW (TG4) and waste fuel PP-70MW (TG6) have been granted a promotion certificate from the BOI, which entitles it to a number of benefits including exemptions from certain taxes.

**e. MIXED FUEL-PP-70MW (TG7)**

MIXED FUEL-PP-70MW (TG7) has been designed and constructed to enhance the Company's operational flexibility. In the event that any of the Company's waste fuel PP-60MW (TG5) or waste fuel PP-70MW (TG6) operates at less than full capacity due to machinery breakdown, maintenance or otherwise, PP-70MW can be used as a backup power plant to provide power for such power plants, where necessary. The Company believes that PP-70 MW allows it to minimize tariff losses during operational interruptions of its waste fuel-fired power plants. The Company estimates that the switching period in configurations to allow PP-70M to act as a backup power plant will take approximately one to two weeks.

In case the generator of this power plant has not yet been used for the waste fuel PP-60MW (TG5) or the waste fuel PP-70MW (TG6), the Company is able to produce electricity by using boilers that have 150 tons of steam per hour capacity, which currently produces steam to sell to the Autoclaved Aerated Concrete Plant of TPI Polene Plc. Or when the aerated brick factory does not use steam, the company will use steam for this MIXED FUEL-PP-70MW (TG7), which will generate about 40 MW of electricity.

In January 2016, the Company entered into a power purchase agreement for a MIXED FUEL- PP-70MW (TG7) with TPI Polene Plc. to sell electricity produced from the said power plant to TPI Polene Plc. It started selling electricity on 18 August 2018, with an approved capacity of 40 MW, according to the said power purchase agreement. The Company charges electricity from TPI Polene based on the electricity sold by the Company to TPI Polene each month at the rate which is equal to the tariff per unit according to time of use rate (TOU). This is the same rate as the electricity purchased by TPI Polene Plc directly from the Provincial Electricity Authority with no demand charge (exclusive of VAT), based on the amount of electricity traded.

The term of MIXED FUEL-PP-70MW (TG7) Power Purchase Agreement will end upon the expiration of the lease agreement for MIXED FUEL-PP-70MW (TG7) between the Company as lessee and TPIPL as lessor. The lease agreement will expire in July 2042.

**f. Coal-PP-150MW (TG8)**

Coal-PP-150MW (TG8) was completed and commenced commercial operations and sold electricity to TPI Polene PCL on January 25, 2019. Under the Coal-PP-150MW Power Purchase Agreement between the Company and TPI Polene Plc, Coal-PP-150MW is obligated to supply and TPIPL is obligated to offtake at least 30% of power generated by Coal-PP-150MW each year to TPIPL. The Company shall receive a monthly power tariff from TPIPL at the same rate per kWh of power according to the time of use rate (TOU) as the average tariff rate at which TPI Polene Plc purchases electricity from the PEA each month without charging the highest energy charge (demand charge), subject to any value-added tax. The power tariff is determined based on the actual amount of power delivered each month. The term of the Coal-PP-150MW Power Purchase Agreement will end upon the expiration of the lease agreement for Coal-PP-150MW between the Company as lessee and TPIPL as lessor. The lease agreement will expire in July 2042.

Coal-PP-150MW has been granted a promotion certificate from the BOI, which entitles it to a number of benefits including exemptions from certain taxes.

In addition to the eight power plants (mentioned above), the Company continuously improves the efficiency of the power plants. In 2020, the Company completed the installation of two Grate Boilers which can use unsorted waste or/and waste fuel as fuel to deliver additional steam to the power plants in case of need or whenever the other boilers are under maintenance. After the Company completed installation of the additional Grate Boilers, the utilization of the power plants and electricity sales to EGAT (TG5 and TG6) will significantly increase to the maximum amounts of contract capacity.

At present, the Company is in the process of developing a community waste power plant project. The Company has been selected for two projects as follows:

- (1) The Songkhla Provincial Administrative Organization's Waste-to-Energy Power Plant has a project duration of 20 years and receives a return in the form of solid waste disposal costs at BHT 400 per ton (increase 10% every 3 years) and receives income from electricity sales from waste disposal under the 7.92 megawatt power purchase agreement. This agreement is for 20 years at the rate of BHT 5.78 /unit for the first 8 years and BHT 5.08 /unit for the next 12 years, with commercial production expected in 2023.
- (2) Waste-to-energy power plant project in Nakhon Ratchasima Municipality has a project duration of 20 years and receives a return in the form of solid waste disposal costs of approximately BHT 400 per ton (increase 3% every 3 years) and receives income from electricity sales from waste disposal under the power purchase agreement of 9.9 MW for a period of 20 years at the rate of BHT 5.78 /unit for the first 8 years and 5.08 baht/unit for the next 12 years. It is expected to start commercial production in 2024.

**1.2 Petrol and Gas (NGV) Stations Business**

The Company also operates petrol and gas stations and derives revenue from the sale of goods from



these stations. Currently, the Company has eight petrol stations, one gas station and three petrol and gas stations under the “TPIPP” brand. The Company’s petrol stations are located in Bangkok and other Provinces in Thailand and primarily sell petrol, gas and other products to retail customers.

The Company was granted the license to use the TPIPL trademark in accordance with the “TPIPL Trademark Agreement” on March 7, 2016 (which was approved by the Department of Intellectual Property of Thailand on April 4, 2018) in connection with the Company’s sales of certain petrol and gas products.

The Company procures petrol for its petrol stations from oil companies such as Bangchak Petroleum Public Company Limited, Esso (Thailand) Public Company Limited, IRPC Public Company Limited and Shell Oil Company Limited at market price on a spot basis.

The Company procures gas for its gas stations from PTT Public Company Limited (“PTT”) under long-term gas sale and purchase agreements.

### **1.3 Waste Fuel Plant**

The Company has the largest single-location community waste or MSW disposal facility in the world. The installed capacity of receiving community waste into the production process is 14,400 tons per day to produce 7,200 tons of waste fuel per day. The Company has a facility to store raw materials and waste fuel up to 100,000 tons which is enough for the operation of the waste fuel power plant.

## **2. Market, Competition, and Industry Trends**

### **(a) Marketing Policy**

#### **1. Power Plant Business**

The Company is the largest waste fuel-to-energy power plant of the highest capacity in the country. It is also the only SPP producer that sells electricity from waste fuel to EGAT under a non-firm power purchase agreement totaling 163 megawatts. The Company also sells electricity generated from coal-fired power plants to TPI Polene Public Company Limited, with a total power generation capacity of 260 megawatts.

The Company is a large operator and is also a pioneer and a leader in the waste fuel-to-energy power plant. The Company has a long experience in operating the waste fuel power plant business and has a proven-record; therefore, it has advantages over other competitors in terms of capital, experience, technology, its reliability in completing to projects.

At present there is a lot of competition in waste procurement for the waste fuel power plant business, including bidding to compete with other power producers in entering into power purchase agreements with EGAT.

The Company has established strong relationships with key players in the waste-to-energy industry value chain. In terms of waste supply, the Company competes with its competitors primarily in terms of waste procurement. The Company has developed an extensive network of suppliers from which it sources pre-sorted landfill waste, unsorted landfill waste, and MSW for further processing into waste fuel to be used as fuel in power generation.

According to AWR Lloyd, waste management practices in Thailand are relatively underdeveloped, compared to other developed countries. The Company’s management team believes waste management issues in Thailand present an opportunity for the Company to grow more efficiently into the waste-to-energy industry.

### **(b) Types of Customers and Target Group**

The Company’s off-takers are EGAT and TPIPL, the latter of which is a parent company and a listed company on the Stock Exchange of Thailand.



As for the community waste power plant that the company has been selected as a project operator, target customers in electricity sales is the Provincial Electricity Authority. For community waste power plants at Koh Taew Subdistrict, Songkhla Province and Nakhon Ratchasima Municipality, customers who pay the waste disposal fee is Songkhla Provincial Administrative Organization and Nakhon Ratchasima Municipality, Nakhon Ratchasima Province respectively

As for bidding for the community power plants in the future, the Company's target customer in electricity sales is the Provincial Electricity Authority. As for the waste disposal fee, customers are local authority agencies that allow the private sector to bid on the community power plant project. The Company aims to participate in bidding on government projects in which the Company has a network of alliances mainly to supply waste to the community power plants in that area.

#### Industry trends

Thailand's Power Development Plan (PDP 2018 Revision) 2018-2037 consists of 400 megawatts of waste-to-energy power plants. The Company expects to participate in this segment of the market. As the government will gradually announce the term of reference, the Company aims to bid in areas in which the company considers that it has a strategic and competitive advantage.

### Status of Power Purchase Agreement of Waste Electricity Generating Project

Status	SPP			VSPP			Total		
	Project	Installed Capacity (MW)	Contracted Capacity (MW)	Project	Installed Capacity (MW)	Contracted Capacity (MW)	Project	Installed Capacity (MW)	Contracted Capacity (MW)
The proposal has been submitted for approval	0	0	0	0	0	0	0	0	0
The approval has been accepted, but PPA has not been signed	0	0	0	0	0	0	0	0	0
PPA has been signed, but COD has not been started	0	0	0	5	38.95	33.498	5	38.95	33.498
Started COD	3	180	163	39	188.141	166.44	42	368.14	329.44
A approval has been cancelled	0	0	0	6	3.034	2.93	6	3.034	2.93
Proposal has been cancelled	0	0	0	39	230.907	202.4	39	230.91	202.4
Contract has been cancelled	0	0	0	33	167.363	142.832	33	167.36	142.832
In a legal proceeding	0	0	0	0	0	0	0	0	0
In an appeal proceeding	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>180</b>	<b>163</b>	<b>122</b>	<b>628.4</b>	<b>548.1</b>	<b>125</b>	<b>808.4</b>	<b>711.1</b>

Under the Thailand Power Development Plan 2015 (PDP2015), the government announced it would purchase 500 megawatts of power generated by waste-to-energy projects and the total of 628.4 megawatts has been submitted for a proposal. Approved projects have a total capacity of 362.938 megawatts, or 72.59 per cent of the target, which consisted of 329.44 megawatts from the operating projects and 33.498 megawatts from the projects under construction.

### The Data of Waste-To-Energy plant operators who began commercial operations (As of December 2021)

Company/Individual	Installed Capacity (MW)	Contracted Capacit (MW)	Scheduled Commercial Operation Date (SCOD)	Commercial Operation Date (COD)
TPI Polene Power Company Limited (Project 1) Kaeng Khoi District, Saraburi Province	60	55	01/07/2015	06/08/2015
TPI Polene Power Company Limited (Project 2) Kaeng Khoi District, Saraburi Province	100	90	02/10/2017	05/04/2018
TPI Polene Power Company Limited (Project 3) Kaeng Khoi District, Saraburi Province	20	18	01/12/2014	16/01/2015
C&G Environmental Protection (Thailand) Company Limited Nongkhaem District, Bangkok	9.8	9.8	30/06/2015	15/03/2016
Bangpoo Environmental Complex Company Limited Samut Prakan City Samut Prakan Province	1.6	0.8	31/12/2012	01/12/25012
Bangkok Thanakom Company Limited Pravet District, Bangkok	3	3	31/12/2021	31/03/2020
Boon Energy Company Limited Sai Noi District, Nonthaburi Province	6.24	5	31/12/2021	16/04/2020
Ratchaburi-EEP Renewable Energy Company Limited (Eastern Energy Plus Company Limited) Samut Prakan City Samut Prakan Province	9.9	8	31/12/2016	30/06/2017
Charoen Sompong Company Limited Bang Phli District, Samut Prakan Province	1.04	1		30/08/2007
Waste gas power generation project under the Royal Initiative Kamphaeng Saen District, Nakhon Pathom Province	0.23	0.21		09/01/2009
Nakhon Ratchasima Municipality Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province	0.8	0.3	15/08/2013	15/07/2013
Crane Renewable Energy Company Limited Kamphaeng Saen District, Nakhon Pathom Province	8.536	8	30/09/2017	01/08/2017
Mae Sot Power Plant Company Limited Phop Phra District, Tak Province	0.9	0.9	31/05/2016	09/05/2017
Green Power Energy Company Limited Mueang Sa Kaeo District, Sakaeo Province	9.9	9	30/06/2018	14/06/2018

Company/Individual	Installed Capacity (MW)	Contracted Capacit (MW)	Scheduled Commercial Operation Date (SCOD)	Commercial Operation Date (COD)
Koh Kaew Green Energy Company Limited Sub-district, Sak Lek District, Phichit Province	0.24	0.2	31/01/2012	01/08/2012
Gidec Company Limited Hat Yai District, Songkhla Province	7	6.5	27/12/2013	11/12/2014
Genius Energy Company Limited Mae Sot District, Tak Province	0.4	0.35	01/09/2016	06/01/2016
Charoen Sompong Company Limited Phanom Sarakham District, Chachoengsao Province	2.5	2.4	30/12/2009	06/05/2010
Chonburi Clean Energy Company Limited Sriracha District, Chonburi Province	8.63	6.9	31/12/2019	07/11/2019
Zenith Green Energy Company Limited Kamphaeng Saen District, Nakhon Pathom Province	8.515	8	01/12/2009	01/05/2010
Super Earth Energy 6 Company Limited Wachirabarami District, Phichit Province	9.8	9	08/12/2019	30/04/2020
Tha Xiang Thong Company Limited Hot District, Chiang Mai Province	1.051	1		04/05/2010
Bangkok Green Power Company Limited Kamphaeng Saen District, Nakhon Pathom Province	8.504	8	01/12/2009	03/06/2010
Progress Interchem (Thailand) Company Limited Photharam District, Ratchaburi Province	4.8	4	31/12/2019	27/12/2019
Self Sufficiency Energy Company Limited Mueang Samut Sakhon District, Samut Sakhon Province	0.2	0.2		16/07/2009
PJT Technology Company Limited Mueang Phuket District, Phuket Province	7	6.5	31/12/2012	19/07/2012
PJT Technology (kiln 1) Company Limited Mueang Phuket District, Phuket Province	7	6.5	31/12/2012	11/07/2012
Rak Ban Rao Company Limited Khlung Luang District, Pathum Thani Province	6.12	6	31/12/2009	15/12/2009
Recovery House Company Limited Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	7	5.5	31/12/2019	24/09/2019
Ban Tan Power Plant Company Limited Hot District, Chiang Mai Province	1.051	1	01/09/2012	10/08/2012
Thungsong Renewable Energy Power Plant Company Limited Thung Song District, Nakhon Si Thammarat Province	0.32	0.3		09/04/2010
West 4 Power Company Limited Kamphaeng Saen District, Nakhon Pathom Province	8.504	8	05/02/2018	01/09/2017

Company/Individual	Installed Capacity (MW)	Contracted Capacit (MW)	Scheduled Commercial Operation Date (SCOD)	Commercial Operation Date (COD)
Sbang Sustainable Phichit Company Limited Wachirabarami District, Phichit Province	2	1.88	04/12/2020	30/10/2020
Si Mum Power Company Limited Kamphaeng Saen District, Nakhon Pathom Province	4.252	4	05/02/2017	05/10/2016
Ayutthaya Clean Energy Company Limited Maharat District, Phra Nakhon Si Ayutthaya Province	3	2.8	15/08/2017	30/11/2017
Alliance Clean Power Company Limited Mueang Khon Kaen District, Khon Kaen Province	6	4.5	26/12/2016	29/11/2016
Intarachan Clean Energy Company Limited Mueang Kamphaeng Phet District, Kamphaeng Phet Province	0.24	0.2	30/04/2014	10/07/2014
AVA Grand Energy Company Limited Wachirabarami District, Phichit Province	4	3	31/12/2019	25/12/2019
SCG Paper Energy Company Limited Ban Pong District, Ratchaburi Province	9.9	8	22/03/2018	19/10/2018
Earth Tech Environment Company Limited Kaeng Khoi District, Saraburi Province	9.4	8	30/06/2017	09/03/2017
SCG Cement Company Limited Mueang Rayong District, Rayong Province	8	7	31/12/2019	24/12/2019
Wanon Niwat Agricultural Cooperative Wanon Niwat District, Sakon Nakhon Province	0.768	0.7	30/09/2014	30/09/2015
<b>Total</b>	<b>368.14</b>	<b>329.44</b>		

As in the above table, the total contracted capacity of the operating waste-to-energy plant operators is 329.4 megawatts. Among the operators, the contracted capacity of the Company is counted as 163 megawatts, or 49.5% of the total contracted capacity and the Company is the only waste-to-energy plant operator to have signed Small Power Producer (SPP) contracts.

**The Data of Waste-To-Energy plant operators who signed PPA  
but have not commenced commercial operations (As of December 2021)**

Company/Individual	Installed Capacity (MW)	Contracted Capacity (MW)	Approval Date	PPA signing Date	Scheduled Commercial Operation Date (SCOD)
Siam Power Company Limited Sai Noi District, Nonthaburi Province	9.5	8	19/03/2019		30/11/2020
Super Energy Group Company Limited Ban Lat District, Phetchaburi Province	9.65	8	N/A	23/01/2017	23/12/2020
WPGE Phetchaburi Company Limited Tha Yang District, Phetchaburi Province	7	5.998	N/A	06/07/2015	10/11/2020
True Energy Company Limited Nong Bua District, Nakhon Sawan Province	9.8	9	N/A	24/09/2014	24/05/2021
PG & C 5714 Company Limited Nakhon Luang District, 39 Phra Nakhon Si Ayutthaya Province	3	2.5	N/A	24/02/2017	31/10/2020
<b>Total</b>	<b>38.95</b>	<b>33.50</b>			

Source: Energy Regulatory Commission (ERC)

**The Thailand Power Development Plan 2018 - 2037 Revision 1 (PDP 2018 Revision 1)**

The Thailand Power Development Plan 2018 - 2037 Revision 1 (PDP 2018 Rev. 1) is a power system development framework to cope with the increasing power demand to correspond to national economic and social development. The PDP was endorsed by the National Energy Policy

Council (NEPC) on January 24, 2019, and acknowledged by the Cabinet on April 30, 2019. The PDP is written from the consideration of power system reliability of subsystem areas in terms of generation, transmission, and distribution. The PDP also includes the establishment of power plants to enhance system security in response to the energy demand, which is consistent with the rate of economic growth, the future changes in power generation technology, government policies, and the National Strategy (2018-2037). Furthermore, the PDP takes into account the cost effectiveness of the power system and the promotion of economic competitiveness for maximum efficiency and stability.

Main energy policies from the PDP are summarized as follows: (1) promoting renewable energy from agricultural waste to improve agricultural industries, (2) developing infrastructures and strengthening energy system security in order to become more self-reliant by lessening dependence on fossil fuels, supporting community self-management energy systems, and setting up appropriate energy market structures to reflect the true cost of production, (3) enhancing technologies and power grids to serve increasing demand and stabilize the energy system.

Thailand energy development strategies and guidelines on the PDP focus on sustainable, affordable “Energy for All” by promoting renewable electricity for self-consumption to communities. As a result, people will have wide access to electrical energy and at reasonable prices.

The Thailand Power Development Plan 2018 - 2037 (PDP2018) aims for three important goals as follows:

- 1) Energy Security: strengthening energy systems and coping with the increasing power demand to correspond to the National Economic and Social Development Plan, including establishing power plants to enhance system security with the appropriate levels of support to protect the system in the event of an energy crisis;
2. Economy: maintaining an appropriate cost of power generation and promoting the reduction of the cost to reduce the burden on energy consumers for long-term economic and social development, including preparing the appropriate energy system to increase the competitiveness of the industry and to reflect the actual cost of production;
3. Ecology: reducing environmental and social impacts by supporting renewable energy production and increasing the efficiency of energy systems in terms of both power generation and market potential by developing smart grid systems.

The PDP2018 was formulated in line with social and economic development directions addressed by the office of National Economic and Social Development Board (NESDB). The average growth of projected long-term Thai Gross Domestic Products (GDP) estimated by the NESDB was 3.8 percent.

#### **Key Assumptions and Frameworks of the National Power Development Plan (PDP), 2018 - 2037**

Key Assumptions and Frameworks consist of four main elements as follows:

- 1) Government-promoted power plant: There are two types of government-promoted power plants: community-based power plants designed to help stimulate the grassroots economy; and renewable power plants such as waste to energy plants and biomass power plants in the three Southern border Provinces.
2. Fossil fuel main plants: A main source of energy is supplied by fossil fuel power plants such as EGAT Power Plants, IPPs and power purchases from neighboring countries with
- 3) contracted capacities and scheduled CODs in accordance with PDP2018. In order to maintain system security, the electricity system as a whole is divided into 7 regions: North, Northeast, East, West, Central, South and Capital. Each region requires a sufficient level of energy supply to maintain the stability of the power system in its own region. EGAT still serves as the System Operator for the National Control Center.
3. Renewable power plants under the Alternative Energy Development Plan: Renewable power plants generate electricity from renewable resources such as biomass, biogas, solar, Hydro-Floating Solar Hybrid System, EGAT's Small Hydropower Plant and others. According to the Alternative Energy Development Plan, the annual purchase target shall be reconsidered annually, and electricity will be purchased at a price which shall not exceed the price of the grid parity.
4. Energy conservation policies under the Energy Efficiency Plan: The policy is to control the quality of supplied energy at the competitive price which shall not exceed the price of the grid parity.

Thailand Power Development Plant 2018 – 2037 (PDP2018 Revision 1) for the power system security are shown as below:

Power Generating capacity during 2018–2037		
Existing capacity as of December 2017	46,090	MW
New capacity during 2018-2037	56,431	MW*
Retired capacity during 2018-2037	(25,310)	MW
<b>Total capacity in 2037</b>	<b>77,211</b>	<b>MW</b>

*New capacity added during 2018 to 2037 of 56,431 MW can be classified as follows:		
Renewable power plant	18,833	MW
Community-based power plant	1,933	MW
Pump-storage hydropower plant	500	MW
Cogeneration power plant	2,112	MW
Combined cycle power plant	15,096	MW
Coal/Lignite power plant	1,200	MW
Power purchase from neighboring countries	5,857	MW
Power Plant Replacement Project	6,900	MW
Energy conservation policy	4,000	MW
<b>Total</b>	<b>56,431</b>	<b>MW</b>

New capacity added during 2018 to 2025		
New capacity added from 2018 to 2025 is from committed or PPA-signed projects, pilot projects for electric power management, and government-promoted projects including main plant projects and new renewable power projects with a total capacity of 20,343 MW. The details of the projects are summarized as follows:		
Renewable power plant	3,185	MW
Community-based power plant	1,933	MW
Pump-storage hydropower plant	500	MW
Cogeneration power plant	2,112	MW
Combined cycle power plant	9,656	MW
Coal/Lignite power plant	600	MW
Power purchase from neighboring countries	2,357	MW
<b>Total</b>	<b>20,343</b>	<b>MW</b>



### New capacity added from 2018 to 2037

The details of the total 36,088 MW of future power projects, such as domestic power projects and neighboring country power purchases projects which were planned to cope with an increase in power demand and to replace the retired capacities, are summarized as follows:

Renewable power plant	15,648 MW
Combined cycle power plant	5,440 MW
Coal/Lignite power plant	600 MW
Power purchase from neighboring countries	3,500 MW
Power Plant Replacement Project	6,900 MW
Energy conservation measures	4,000 MW
<b>Total</b>	<b>36,088 MW</b>

### The details of government-promoted power projects are summarized as follows:

Waste-to-energy plant	400 MW
Pracharath biomass power plant	120 MW
Community-based power plant (Biomass)	600 MW
Community-based power plant (Biogas-Energy Crop)	600 MW
Community-based power plant (Biogas-Wastewater)	183 MW
Community-based power plant (Solar Hybrid)	550 MW
<b>Total</b>	<b>2,453 MW</b>

### The details of renewable power plants under the Alternative Energy Development Plan are summarized as follows:

Biomass power plant	2,780 MW
Biogas power plant	400 MW
Solar plant	8,740 MW
Solar plant	2,725 MW
Wind power plant	1,485 MW
Industrial waste to energy plant	44 MW
EGAT's small hydropower plant	69 MW
<b>Total</b>	<b>16,243 MW</b>

Source: Thailand Power Development Plan 2018 Revision 1 (2018-2037A.D.)

## 2 Oil Service Stations and NGV Gas Stations

TPI Polene Power operates a total of eight oil service stations, one NGV gas stations, and three oil and NGV service stations in Bangkok and provincial areas. Most of the customers are those who transport cement for the Company as well as retail customers.

### Industry Trends

In 2021, NGV sales volume in the country decreased consistently by 19.25% compared to 2020, primarily due to the ongoing COVID-19 pandemic from early 2020, which affected the country's overall economy and directly affected the business operations of oil and gas stations, as well as the number of new cars to be launched into the market, which mainly use fuel oil. As a result, the volume of NGV-based vehicles has also decreased. Thus, the Company's fuel and NGV sales volume in 2021 decreased slightly compared to 2020 due to the impact of the COVID-19 pandemic as well.

In case the country's overall economy in 2022 recovers, the Company's sales of oil and NGV will also improve accordingly.

### Business strategy of the power plant business

1. **To achieve and maintain optimal efficiency in power plant operations through ongoing research and development initiatives**

The Company seeks to enhance its competitiveness by achieving and maintaining optimal efficiency in its power plant operations. The Company is continuously exploring the development of new technologies and processes to optimize its operational efficiency, increase utilization rates, and reduce costs. The Company believes that such technological know-how constitutes one of its key competitive strengths, and to maintain its competitive advantage, it places emphasis on the continuous improvement and innovation of its technological know-how.

2. **To continue to be a socially responsible and environmentally friendly enterprise by reducing green-house gas emissions and minimizing residual waste from operations**

The Company is a socially responsible enterprise dedicated to the environmentally friendly treatment of solid waste and promoting environmental awareness. The Company believes that using waste as a fuel source for power generation represents an effective waste treatment method for reducing the toxicity and volume of waste and transforming it into a useful resource. The Company prioritizes the control of environmental emissions from its power plants, and its operations strive for strict compliance with all applicable environmental regulations.

The company's "zero waste" plan aims to fully utilize all the resources used in the production process, thereby increasing the company's operational efficiency while reducing any potential environmental impact.

The Company has been recognized for its efforts in promoting environmentally friendly production and energy efficiency and strives to continue to be a socially responsible and environmentally friendly enterprise.

3. **To maximize shareholder value through prudent capital management and business expansion**

The Company seeks to continue its prudent capital management by optimizing its debt level and to strengthen its financial position by increasing revenue through its solid pipeline of power generation projects and expanding the company's waste fuel plants more to the area that needs to get rid of community waste.

**4. To maintain fair and sustainable relationships with stakeholders in the waste-to-energy value chain**

The Company strives to maintain fair and sustainable relationships with all stakeholders in the waste-to-energy value chain in Thailand. The Company has entered into some MSW deposit agreements with local governments in Saraburi Province as part of its corporate social responsibility initiatives. Under such agreements, the Company agrees to pay the waste management companies a transportation fee, provided that the Company is satisfied with the quality of the MSW. The Company believes that such waste procurement arrangements are fair and sustainable and allows it to maintain long-term relationships with waste suppliers.

Furthermore, the Company seeks to build positive relationships with the community by adhering to good corporate governance practices. In this regard, the Company has published conflicts of interest policies as guidelines for employees to interact properly with related parties with conflicts of interest.

The Company also strives to create a sustainable relationship with its employees by providing comprehensive training and following a policy of fair treatment and rewards.

### **Competitive Strengths**

The Company believes that it possesses the following competitive strengths which differentiate it from its competitors in the waste-to-energy industry in Thailand.

**1. Largest waste-to-energy power plant operator in Thailand, with a proven track record of in-house project development**

The Company is the largest waste-to-energy power plant operator in Thailand in terms of installed power generation capacity according to AWR Lloyd (published in 2017). The Company is also one of the first companies in Thailand to have commenced waste-to-energy power generation operations, according to AWR Lloyd. As such, the Company has the advantage of being a first mover with its know-how that enables it to efficiently address challenges in the waste-to-energy industry in Thailand.

The Company believes that its proven project execution capabilities and contracted sales arrangement in the waste-to-energy industry position it as the leading waste-to-energy power plant operator in Thailand. With its market-leading position and strong operational track record, the Company has received several awards from established institutions both domestically and internationally, including the High-Quality Clean Development Mechanism (“CDM”) Projects “Crown Standard,” the Thai Energy Awards 2014 2015 2017 2018 and 2019, and International Standards under ISO9001:2015, ISO14001:2015 and ISO50001:2011. In 2021, the Company was awarded Asia’s Most Influential Companies and Most Innovative Initiative Towards Waste Processing Plant. The Company believes that it can compete effectively with other waste-to-energy power producers in securing additional power purchase agreements with EGAT and expand its business.

**2. Established track record and expertise in waste management and proprietary technologies well adapted to waste-to-energy operations in Thailand**

The Company has an established track record and expertise in waste management and possesses proprietary technologies that are well adapted to waste-to-energy operations in Thailand. The Company has developed a deep understanding of the characteristics of landfill waste and MSW in Thailand, which typically have high moisture content and low heat content. The Company has developed its proprietary technologies to process such waste into waste fuel.

At the end of 2021, the Company’s waste fuel production plants had daily installed capacity to process up to 14,400 tons of MSW and produce up to 7,200 tons of waste fuel.

The Company believes that such technological know-how constitutes one of its key competitive strengths and allows it to maintain its competitive advantage. The Company competes with other waste-to-energy power producers to enter into power purchase agreements with EGAT. The Company competes with other power producers in terms of, among others, technological capabilities. In this regard, the Company believes that its track record and expertise in waste management, as well as its proprietary technologies in waste-to-energy operations, represent one of its key competitive advantages over its competitors.

### **3. Strong relationships with key players in the waste-to-energy industry value chain**

The Company has established strong relationships with key players in the waste-to-energy industry value chain. In terms of waste supply, the Company competes with its competitors primarily in terms of waste procurement. The Company has developed an extensive network of suppliers from which it sources pre-sorted landfill waste, unsorted landfill waste and MSW for further processing into waste fuel to be used as fuel in power generation. In addition, the Company has also maintained a good relationship with EGAT including providing cooperation, consultation, promotion, and development of electricity production technology for community waste disposal in the country as well.

### **4. Supportive government policies in the renewable power generation industry in Thailand**

The Company believes that its waste fuel-fired power plant operations are well positioned to benefit from the trend towards renewable energy, and particularly, the Thai government's policy of promoting power generation from renewable fuel sources.

Consistent with the Power Development Plan 2015 and the Alternative Energy Development Plan 2015, the Thai government promotes power generation from renewable energy sources by providing incentives to power producers. ERC and EGAT announced the payment of an adder provided to power producers in addition to energy payment for power generation from biomass, biogas, waste, wind, and solar. The adder provided to SPPs who generate electricity from waste by a thermal process shall be at a rate of BHT3.5 per kWh for a period of seven years from the commercial operation date of the relevant power plant.

The Company has benefited from these policies. In selling power to EGAT, all the Company's waste fuel-fired power plants in operation are entitled to an adder of BHT3.5 per kWh, which is payable in addition to the base price of power under the power purchase agreements. The Company believes that this strong government support provides it with significant opportunities to expand its business operations.

The government is in the process of formulating future policies in relation to its support of the development of the renewable energy industry such as solar and wind energy, by wanting to buy electricity at a cheaper price in order to reduce the price subsidy for purchasing electricity. However, regarding waste-to-energy power plants, the government's policy still gives priority to the establishment of waste-to-energy power plants, which was driven by the Ministry of Interior supporting various Provinces with the potential to accelerate the procurement of the private sector to invest and carry out the project in the form of Build-Operate-Transfer (BOT). In this BOT framework, the investor will receive the revenue using the FIT (Feed-in Tariff) scheme and also receive income from the additional tipping fee where the price will depend on the reference price and the price bidding. It is believed that domestic waste-to-energy power plant projects have the potential to grow at least 400 MW according to the PDP 2018 draft. It is expected that ERC will announce the purchase of electricity for power plant projects which had a contract with local communities in 2022, including two power plants for which the Company was selected. The company has a policy to participate in the bidding for community power plants in other locations which are about to open for bidding.



**5. Future growth driven by strong growth pipeline of power generation projects and projected GDP growth and growth in power demand in Thailand**

The Company has a number of power generation projects, including waste fuel-fired power plants, coal-fired power plants, waste heat recovery power plants, and coal and waste fuel-fired power plants.

The favorable macroeconomic conditions in Thailand also allow the Company to grow its operations. According to AWR Lloyd, power demand in Thailand is estimated to grow at an average of 2.7% annually between 2014 and 2036, underpinned by an average population growth of 0.03% and an expected real GDP growth which continues to expand. The Company believes that it can take advantage of the strong economic growth outlook in Thailand and the resulting growth in energy demand to develop its business sustainably.

**6. Strong support from TPIPL**

The Company enjoys strong and continuing support from its major shareholder, TPIPL.

The Company believes that the strong relationship between the Company and TPIPL in all respects under a special reciprocal business operations agreement will further strengthen the business of both to grow continuously and create sustainability within the group.

**7. Experienced and forward-looking management team and dedicated operations and technical staff**

The Company's management team has extensive experience in the power industry and a proven track record of successfully developing, operating, and expanding power plants. According to AWR Lloyd, waste management practices in Thailand are relatively underdeveloped, compared to other developed countries. The Company's management team believes waste management issues in Thailand present an opportunity for the Company to enter the waste-to-energy industry.

## **Research and Development**

The Company's has developed proprietary technologies to adapt its waste fuel-fired power generation operations to suit the type of waste in Thailand, which typically has high moisture content and low heat content. The Company believes that such technological know-how constitutes one of its key competitive strengths, and to maintain its competitive advantage, it places emphasis on the continuous improvement and innovation of its technological know-how. The Company's research and development efforts focus on improving and adapting its existing technologies as well as waste sorting and processing techniques to increase the operational efficiency of its plants and reduce the environmental impact from its operations. The Company's current research and development initiatives include:

- improvement and development of sorting machines to enhance the efficiency of RDF production from waste;
- design and development of materials for use in steam pipes in boilers;
- design and development of boiler cleaning systems;
- development of the generator's control system to reduce the emergency stop due to external power system failures;
- research and development of the heavy ash produced from the combustion process of grate incinerator to be used as a substitute raw material in the production of cement;
- improvement in efficiency in converting organic matter into fuel;
- reduction of sulfur dioxide emissions with the use of limestone sand in boilers;
- use of low nitrogen oxide burners;
- improvement of the RDF input system into the combustion system in the steam boiler to increase the efficiency of combustion and reduce the problem of air pollution from incomplete combustion;

- improvement of the efficiency of dust settling chambers so as to increase the useful life and efficiency of the steam pipes in the Company's waste heat power plants and reduce dust emissions to the outside;
- development of information systems for maintenance by using the Cloud system to store data.

By investing in the development of technologies and processes that increase its operational efficiency and reducing its environmental impact, the Company seeks to solidify its competitive position and maintain its technological advantages.

In addition, the Company has entered a TPIPL Framework Agreement with TPIPL, whereby TPIPL shall, among others, provide research and development services to the Company. With a research and development team of more than 150 scientists, engineers, and technicians, TPIPL has provided the Company with research and development support in the past and is expected to continue to do so in the future. TPIPL also regularly engages professors from local universities, including Chulalongkorn University, Suranaree University of Technology and Kasetsart University, to assist with its research and development initiatives.

### **Board of Investment Privileges**

The Company has been granted promotional privileges under the Investment Promotional Act, B.E. 2520 (as amended) by the Thai Board of Investment ("BOI").

Subject to the conditions prescribed in the promotional certificates, the principal BOI privileges for the Company's power plants, RDF production plants and gas station include the following:

- permission to own land in order to carry on the promoted activities as the BOI deems appropriate;
- exemptions from import duties on machinery as approved by the BOI;
- an exemption from corporate income tax on net profits derived from the promoted business for a period of eight years commencing from the first date on which the promoted business earned operating income;
- a reduction in the normal rate of corporate income tax on net profit by 50.0% for a period of five years after the expiry date of the corporate income tax exemption period; and
- exemptions from withholding tax on dividends paid from the profit of the promoted business for a period of eight years.

As of 31 December 2021, the following table sets forth a summary of The Board of investment privileges of the Company's power plants, RDF production plants and gas stations as follows:

Plant / Gas Station	Month on which Income was First Derived from Promoted Activity	Expiration of Full Income Tax Exemption	Expiration of 50% Income Tax Reduction
WHPP-40MW	June 2009	Card expired	N/A <sup>(1)</sup>
RDFPP-20MW	June 2009	Card expired	N/A <sup>(1)</sup>
RDFPP-60MW	September 2015	September 2023	September 2028
WHPP-30MW	January 2016	January 2024	N/A <sup>(1)</sup>
RDFPP-70 MW	May 2018	May 2026	N/A <sup>(1)</sup>
Coal-PP-150MW	January 2019	January 2027	N/A <sup>(1)</sup>
RDF production plants	July 2011	Card expired	June 2024
Gas Station	July 2009	Card expired	July 2022

**Notes:**

(1) The 50% income tax reduction does not apply after the expiry date of the full corporate income tax exemption period.

### 3. Sourcing of products or services

#### 3.1. Production Facilities

##### 3.1.1. Power plants

The Company had eight commercially operating power plants with a total of 440 MW of installed power generation capacity, dividing into three groups. First, four waste-fired power plants with an installed power generation capacity of 180 MW, sold power to the Electricity Generating Authority of Thailand (“EGAT”) under a Power Purchasing Agreement (“PPA”) of 163 MW. Second, two waste heat recovery power plants with an installed power generation capacity of 40 MW, sold power to TPI Polene Public Company Limited (“TPIPL”), which is the parent company and is a leader in the cement manufacturing and distribution business and the plastic pellets business of the country, under a Power Purchasing Agreement (“PPA”) of 40 MW. Third, two coal-fired power plants with an installed power generation capacity of 220 MW, sold power to TPIPL under a Power Purchasing Agreement (“PPA”) of 190 MW. All of the Company's power plants are located in the same vicinity as TPIPL's cement production plants in Kangkhoy, Saraburi Province in Thailand.

##### 3.1.2. Petrol and Gas Stations

The Company has eight gas stations, one natural gas (NGV) service station and three gas and oil service stations, under the TPIPP brand. Three stations are located in Bangkok, six stations in Saraburi Province. one station in Ubon Ratchathani, one in Nakhon Sawan, and one in Samut Prakan respectively.

#### 3.2. Production Processes

The Company's waste heat recovery power plants generate power by using waste heat emitted from TPIPL's cement production process to convert water into steam to drive steam turbine power generators.

The Company's waste fuel-fired power plants, on the other hand, generate power by using the steam derived from burning waste fuel as primary fuel and using waste heat as co-fuel to drive steam turbine power generators.

Set forth below is a description of the processes of generating power from waste heat and waste fuel.

**(a) Power Generation from Waste Heat**

The Company produces power by capturing waste heat emitted during TPIPL's cement production process and converting the waste heat into power. In the cement production process, the raw meal undergoes a series of heat exchanges with hot exhaust gas before entering the rotary kiln for the production of clinker. At the rotary kiln, a series of complex physical and chemical reactions take place, and the raw meal is turned into clinker. To help the hot clinker solidify and prevent liquid formation, air quenching chamber coolers ("AQC") quickly lower the temperature of the hot clinker with cool air. The cooling process results in the emission of hot exhaust gas from the AQCs. Details of the power generating process from waste heat recovery power plant are as follows:

1. **Recovery of Hot Exhaust Gas from Preheater Tower:** Suspension preheater boilers recover hot exhaust gas from the preheater tower and produce steam by heating condensated water with the recovered waste heat.
2. **Recovery of Hot Exhaust Gas from AQCs:** AQC boilers recover hot exhaust gas from the AQCs and produce steam by heating condensated water with the recovered waste heat.
3. **Power Generation:** The steam from the suspension preheater boilers and the AQC boilers is then fed into steam turbines that drive power generators to produce power.

**(b) Power Generation from waste fuel**

The Company's waste fuel-fired power plants generate power by burning waste fuel as a heat source to boil water to produce steam. The steam is then used to drive the steam turbine power generator. All of the Company's waste fuel-fired power plants also have the capacity to generate power by using waste heat as source. Details of the power generating process from waste fuel power plant are as follows:

1. **Burning of RDF:** RDF is burned in the waste fuel boiler to boil water to produce steam.
2. **Power Generation:** The steam from the waste fuel boiler is then fed into steam turbines that drive power generators to produce power.
3. **Condensation of Steam into Water:** The condenser captures steam from the steam turbine and condenses the steam into water. Water derived from the condensation process is reused as feed water in the waste fuel boiler.
4. **Deaeration:** As dissolved oxygen in water can cause corrosion damage in metal equipment by forming rust, the Company has installed deaerators to remove oxygen from feed water before the water re-enters waste fuel boilers for steam production.

**(c) Production of waste fuel**

The majority of waste fuel used in the Company's waste fuel-fired power plants is produced by processing MSW and unsorted landfill waste, and the remaining waste fuel is sourced directly from waste management companies in the form of pre-sorted landfill waste, which can be used directly as waste fuel with minimal processing. The Company sources pre-sorted landfill waste, unsorted landfill waste and MSW from an extensive network of suppliers.

The Company has developed a deep understanding of the characteristics of landfill waste and MSW in Thailand, which typically have high moisture content and low heat content. The Company has developed its proprietary technologies to process such waste into waste fuel.

The waste supplied to the waste fuel production plants is sorted into MSW and landfill waste. With respect to the MSW, the Company checks the waste quantity with weighing machines each time, collects samples for its component analysis to meet the qualifications and conditions of waste fuel production, and enters the waste fuel production process. With respect to the landfill waste, most of it is of a higher quality than MSW and therefore is lightly processed in the waste fuel preparation facilities machines to enhance the quality of the waste fuel produced that will be used as fuel to generate electricity.

The Company's waste fuel production plants currently have the daily installed capacity to process up to 14,400 tons of MSW and produce up to 7,200 tons of waste fuel.

The Company has established waste fuel storage facilities which can store up to 100,000 tons of waste fuel. The waste fuel storage facilities can store sufficient waste fuel to sustain the Company's waste fuel-fired power plant operations for up to approximately one month.

### **3.3. Supply of Raw Material**

#### **1. Waste Heat Supply**

The Company purchases waste heat from TPIPL pursuant to the TPIPL Framework Agreement. The waste heat is applied to the clinker production process in the kiln, which the amount of the waste heat cannot be determined exactly depending on the operating conditions and the number of operating hours of the cement plant.

#### **2. Waste Supply**

The Company's waste fuel-fired power plants generate power by burning waste fuel which the Company produces from waste in its waste fuel production plants, in addition to partially using waste heat. The Company procures three primary types of waste, (i) pre-sorted landfill waste generally supplied by waste management companies; (ii) unsorted landfill waste supplied by waste management companies; and (iii) MSW transported to the Company by municipal governments and waste management companies authorized by municipal governments to dispose of MSW. Pre-sorted landfill waste is waste from landfills that has been processed by waste management companies to remove items with low combustion value, such as sand, stone, and metal. Substantially all pre-sorted landfill waste can be used for burning in waste fuel boilers as waste fuel with minimal processing. Unsorted landfill waste is waste from landfills that has not been processed. Unsorted landfill waste requires processing by the Company before it can be used for burning in waste fuel boilers as waste fuel.

For waste fuel power plants, the company seeks landfill waste and MSW. In addition, the heat value of waste fuel produced from waste fuel power plants affects the efficiency of the company's power generation. Waste fuel with high heat value will enhance the power generation immensely.

The company buys both MSW and landfill waste sorted by entrepreneurs who are alliance partners around the factory and entrepreneurs in nearby Provinces without relying on any sources of supply in particular.

In addition, the Company has diversified its waste procurement risks by investing in the establishment of a waste fuel plant according to the areas where a significant amount of landfill waste and MSW accumulate in the area every day from private or governmental landfills such as in Samut Sakhon, Ayutthaya, Chonburi, Chanthaburi, Pathum Thani and Rayong. This creates stability in raw material procurement and reduces production costs. The Company procures raw materials by setting prices according to the quality of the sorting.

#### **3. Coal Supply**

Under the TPIPL Framework Agreement, TPIPL supplies coal to the Company at market price as part of the initial stages and for the commercial operation of Coal-PP-150MW. The Company is not prohibited from procuring coal from other suppliers. Furthermore, considering that TPIPL procures a substantial amount of coal for its cement manufacturing business, TPIPL has more bargaining power in negotiating coal purchases. Thus, the Company purchases coal from TPIPL.



#### 4. Petrol and Gas Supply

The Company procures petrol for its petrol stations from oil companies such as Bangchak Petroleum Public Company Limited, Esso (Thailand) Public Company Limited, IRPC Public Company Limited and Shell Oil Company Limited at market price on a spot basis.

The Company procures gas for its gas stations from PTT Public Company Limited (“PTT”) under long-term gas sale and purchase agreements.

### 3.4 Maintenance

The maintenance of power plants and RDF production plants is a critical aspect of the Company’s business. The Company has invested in maintenance projects and machinery improvement projects to reduce breakdown maintenance time and improve the efficiency of power production.

The Company has designed steam pipes in power plants by changing the material to be more resistant to physical and chemical wear, creating a new design of steam pipes arrangement, and installing a steam pipe cleaning system which ceases operations for approximately 90 days per device.

In addition, the fuel feeding system has been improved to solve the problem of fuel feeding accuracy with a new design of the engine system and air system to feed fuel to the boiler.

Proper maintenance not only allows the Company to operate more efficiently and generate more power with higher efficiency but also protects the Company’s facilities against the risk of major breakdowns and failures. The Company performs its own operations and routine maintenance and inspections.

Major overhauls usually take place at steam turbines and involve the shutdown of every boiler of a power plant. Major overhauls are carried out once every five years in accordance with the guidelines of equipment manufacturers and generally take 30 to 60 days. Between major overhauls, routine maintenance and inspections are scheduled once a year and generally take approximately 15 to 30 days. Routine maintenance and inspections can be carried out without shutting down the power plants. In addition, each boiler is subject to scheduled shutdown for 30 to 45 days per year for maintenance. In order to minimize disruption to the Company’s power generation operations, to the extent that multiple boilers are installed in a power plant, the Company generally performs maintenance on the boilers in turn in order to ensure continuous operation of its power plants. The maintenance schedule of the Company’s waste heat recovery power plants is also well integrated with that of TPIPL’s cement production lines.

### 3.5 Environmental, Health and Safety Matters

The Company is subject to the Enhancement and Conservation of National Environment Quality Act B.E. 2535 (1992), and the Office of Natural Resources and Environmental Policy and Planning has approved environmental impact assessments for each of the Company’s operating facilities. The Company is liable for breaches of environmental laws and would be responsible for making any improvements and/or modifications to its facilities which may be required to continue to comply with environmental laws. Currently, each of the Company’s plants is in compliance, in all material respects, with existing environmental regulations and standards applicable to them. The Company also believes that its operations are fully in compliance with World Bank guidelines set forth for power generation. The TPIPL Group has not been party to any litigation, arbitration, suit, or proceeding in relation to environmental matters or compliance with any environmental regulation.

The Company has taken steps to protect and take care of employees during the COVID-19 pandemic by taking measures that have been announced by the state and managing the provision of vaccines to be administered to all employees. In addition, the company has also helped and supported many communities during that period of time.

Regarding the environment, the Company has strictly implemented the measures set out in the Environmental Impact Assessment Report. and invited experts from educational institutions to come in for an assessment and to make recommendations on environmental impacts on required issues.

The Company is committed to zero greenhouse gas emissions, under the TPI Polene Group by using waste fuel to replace 30-40% of coal used in the cement production process of TPI Polene Plc. and about 90-100% in the Company's power plants. The Company, improved the production process by using high efficiency machinery.

### Table demonstrating reduction/(release) TPI Polene Group's net greenhouse gases

(Unit: Million Tons Carbon Dioxide equivalent)

Related Source / Process	2021	2022	2023	2024	2025	2026
<b>1. TPIPL</b>						
1.1 Clinker Production <sup>(1)</sup>	(7.56)	(7.56)	(7.47)	(7.3)	(7.3)	(7.3)
1.2 Other Activities <sup>(1)</sup>	(1.41)	(1.30)	(1.2)	(1.05)	(1.00)	(1.00)
1.3 Production of Hydraulic Cement <sup>(2)</sup>	0.25	0.26	0.27	0.27	0.27	0.27
<b>Net- TPIPL</b>	<b>(8.72)</b>	<b>(8.60)</b>	<b>(8.40)</b>	<b>(8.08)</b>	<b>(8.03)</b>	<b>(8.03)</b>
<b>2. TPIPP</b>						
2.1 Reduce community waste landfill by producing it as waste fuel <sup>(3)</sup>	5.08	6.61	8.87	10.86	11.85	12.45
2.1 Production of waste fuel, steam, and electricity <sup>(1)</sup>	(3.34)	(3.20)	(2.90)	(2.7)	(2.7)	(2.7)
<b>Net- TPIPP</b>	<b>1.74</b>	<b>3.41</b>	<b>5.97</b>	<b>8.16</b>	<b>9.15</b>	<b>9.75</b>
<b>3. Waste Landfill Reduction (million tons)</b>	<b>2.19</b>	<b>2.85</b>	<b>3.82</b>	<b>4.68</b>	<b>5.10</b>	<b>5.37</b>

**Remark:**

- (1) Greenhouse gas emissions are calculated in accordance with the "Requirements for Calculation and Reporting of Corporate Carbon Footprint" by the Greenhouse Gas Management Organization no. 5, January 2021.
- (2) Calculate greenhouse gases using the T-VER-METH-OTH-03 method of the Greenhouse Gas Management Organization.
- (3) Emission Factor, calculated based on the case of emissions to landfill waste, which generate 2.32 tons of greenhouse gas / 1 ton of landfill waste

The Company is determined to follow a "zero waste" plan and works continuously to supervise, control, and improve its processes in order to ensure that regulated emissions from its operations are within and below stipulated maximum levels. The Company uses continuous emission monitoring systems to monitor emissions from the combustion processes of its plants. The Company also monitors ambient air quality at several locations within the vicinity of its plants. For each combustion process, the Company monitors and controls oxides of nitrogen ("NOx") and sulfur dioxide ("SO2"). The temperature and the fuel/air ratio are controlled during the combustion process in order to maintain emissions within applicable limits. The Company periodically monitors the quality of effluent discharge and compares it to the environmental impact assessment mitigation and monitoring programs to ensure that it complies with regulatory standards. For its emissions and discharge, the Company is well within regulatory requirements.

The following table sets forth the Company's policy for the emission of SO<sub>2</sub> and NO<sub>x</sub>, as compared to World Bank guidelines and Thai regulatory requirements:

	SO <sub>2</sub>	NO <sub>x</sub>
	(mg / Nm <sup>3</sup> )	
The Company	30.0	120.0
World Bank guidelines	< 230.0	< 510.0
Thai regulatory requirements	< 320.0	< 350.0

The Company has implemented policies, procedures, and control mechanisms in order to reduce the risk of chemical leakages and employee exposure to hazardous chemicals. The Company carefully selects chemicals for its processes and seeks to rely only on chemicals that have a minimal adverse impact on the environment and on employee health.

The Company has put in place an environmental, health, and safety training program to heighten employee awareness of environmental, health, and safety issues. The Company also has a chemical leakage contingency plan in place and provides training for employees, including emergency drills in relation to this plan. The Company prepares, on a regular basis, reports for government agencies on the disposal of the Company's hazardous and non-hazardous waste. The Company also has in place a classification and storage program for waste products. The Company has contracts with noise control specialists who periodically monitor noise levels to ensure compliance with government regulations.

### 3.6 Future Projects

1. Nakhon Ratchasima waste-to-energy project: The project has an installed capacity of 12 megawatts under a 20-year Power Purchase Agreement (PPA). The investment costs are approximately 2,000 million baht, and the commercial operations are slated for 2024.
2. Songkhla waste-to-energy project: The project has an installed capacity of 12 megawatts under the 20-year Power Purchase Agreement (PPA). The investment costs are approximately 2,000 million baht, and the commercial operations are slated for 2023.
3. The TG7 (70MW) boiler improvement project: The project aims to convert the coal-fired power plant to a waste-to-energy coal-free power plant. The investment costs are approximately 800 million baht to replace the coal-fired boiler with one hundred percent waste-to-energy. The project is scheduled to complete Phase 1 by the year 2023 with a capacity of 40 MW and Phase 2 by the year 2024 with a capacity of 70 MW.
4. The TG8 (150MW) boiler improvement project: The project aims to convert the coal-fired power plant to a waste-to-energy plant. The investment costs are approximately 2,500 million baht. Phase 1 of the project is scheduled to complete by the year 2022, which are able to substitute around twenty-five percent. Phase 2 of the project is scheduled to complete by the year 2025, which are able to substitute up to ninety to one hundred percent fossil fuels. The project is to pursue the goal of reducing the Company's coal consumption to zero which results in reductions in the cost of generating electricity, the import amount of coal and greenhouse gas emissions.
5. Waste-to-energy plant bidding projects: The Company aims to increase electricity capacity by 2022-2024 by continuously participating in the biddings of the waste-to-energy plant projects. As a result, the Company will generate more EBITDA to compensate for the adder of the TG3 (18MW) and TG5 (55MW) power plants, which shall gradually expire in January 2022 and August 2022, respectively. After adder expiration, however, the TG3 and TG5 power plants are still able to sell electricity to EGAT at the base price.

6. The waste-based fuel production line expansion project: The new production lines shall be constructed in the quality-improved waste plant (plant number 3) with an aim to install five additional production lines (lines 14-18) with a total capacity of 5,760 tons per day. The additional waste-based fuel is then supplied to the waste-to-energy power plants, which will be improved from the coal-fired power plants. The investment costs are approximately 1,000 million baht, and the project is scheduled to complete by the year 2022.
7. The Prototype City of Advanced Futuristic Industries (PAFI) project, Chana District, Songkhla Province: The investment costs are approximately 300,000 million baht for investing and developing an industrial park, green power plant, commercial and tourism ports, warehouses, logistic center, and smart city. The project is in the process of establishing strategic partnerships with a number of foreign ventures who are interested in investing in the project from countries such as China, South Korea, Japan, Germany, and Malaysia.

At present, the Thai government is in a stage of considering changing the city planning and zoning controls. Simultaneously, the six projects in Chana District have already been applied for investment promotion and tax privileges from the Board of Investment of Thailand (BOI). At the same time, the smart city project, EIA and EHIA report are currently in the process of preparation. In each stage of projects, the Company has strictly followed the legal process and complied at all times with procedures.

The Company is ready to invest and develop the Southern Seaboard project or the Prototype City of Advanced Futuristic Industries (PAFI) project, Chana District, Songkhla Province, as a part of the country's national security policy to increase the country's growth potential, especially in economic, social and maximized resource utilization. In addition, the project has to be planned in a way that minimizes negative impacts on the environment, both on land and at sea and takes into account the stakeholders for economic and social development in the southern border provinces. The Company also adopts the Bio-Circular-Green economy (BCG) principle and environmental, social, and governance (ESG) principle in all processes to create sustainability in both the economy and society.

In the present, the Company has been contacted by both domestic and foreign investors who expressed their intention to invest in the project, which can be summarized as follows:

1. Clean Energy Center Project: The Company has signed a Memorandum of Understanding (MOU) with Korea Gas Cooperation, Norinco International Cooperation Limited, and China Datang Overseas Investment Company Limited, a Chinese state-owned company, as well as foreign companies who are interested in investing in clean energy from a number of countries such as the United States, Mexico, Canada, Indonesia, Malaysia, Denmark, and Spain.
2. Deep seaport (container and bulk) project and logistic center: The Company has signed a Memorandum of Understanding (MOU) with CRCC Malaysia BHD, one of the subsidiaries of a China state-owned company. Both projects have also been expressed interest in by a number of leading companies in countries such as Belgium, the Netherlands, and Singapore.
3. Smart City Project: Some companies expressed their interest in the project from Thai leading companies to foreign companies from countries such as the United Kingdom and Hong Kong.
4. Advanced Futuristic Industries Park project: Currently, there are numerous parties that have expressed their interest in joint ventures, developing the project, and setting up their factories in the industries park. The parties are such as government representatives from Hong Kong, China, and foreign companies from Belgium, Germany, and Spain. In addition, the New Zealand government is interested in running sustainable clean modern fisheries and livestock in the area.

In addition, the Company is currently negotiating joint ventures with foreign partners to invest in battery cell production projects and the fully integrated silicon industry project. This has created a great opportunity for the Company to grow further along with the global trend as the partners are top-tier specialist companies.

The Company was also honored by Mr. Taha McPherson, New Zealand Ambassador to Thailand, for jointly discussing modern-technology-related organic agriculture and livestock, in particular, in production, marketing, and product processing along with future trends. The concept is expected to be used as a part of the prototype city project, the Triangle (stable-prosperous- sustainable) Model City 4 Project, in the Chana District, Songkhla Province.

When the Prototype City of Advanced Futuristic Industries (PAFI) projects start commercial operations, about 100,000 jobs are expected to be created for locals and the country. Fresh graduates, technicians, engineers, academics who are experts in various academic fields such as trade and investment, tax law, industrial businesses financial and banking, civil engineering, mining, mechanical engineering, electrical engineering, chemical, electronics, agriculture, biotech, bio-organic (biochemistry), bio-pharmaceutical for both humans and animals (biopharmaceutical industry), AR (augmented reality), AI (artificial intelligence), computer science, mechatronic systems, robots, and modern services, including medical and nursing are all considered essential personnel for the project. Their skills shall be a factor for facilitating rapid economic growth in the SEZs and creating more economic value to the country. However, the ultimate goal of the project is to reduce the violent situation in Thailand's three southern border provinces creates stability for the country.

The Company has prepared an Environmental Impact Assessment (E Impact Assessment) report in compliance strictly with legal procedures. At present, the Thai government has approved an area of Chana, Songkhla as the 4th model city and given promotions and privileges as follows:

1. The Ministry of Commerce has approved the exemption of fees for operating permits and company certificates for companies in four southern border provinces (Satun, Pattani, Yala and Narathiwat) and four districts (Thepha, Saba Yoi, Na Thawi and Chana) in Songkhla province.
2. The Ministry of Interior has approved the reduction of land tax fees, land transfers or condominiums and other fees in four southern border provinces (Satun, Pattani, Yala and Narathiwat) and four districts (Thepha, Saba Yoi, Na Thawi and Chana) in Songkhla province.
3. The Board of Investment promoted an area in Chana, Songkhla to be the 4th model city which shall be granted the same benefits as other model cities.
4. Thailand Ministry of Industry announced a fee exemption scheme for factory licenses and amendments of factory licenses in four southern border provinces (Satun, Pattani, Yala and Narathiwat) and four districts (Thepha, Saba Yoi, Na Thawi and Chana) in Songkhla province.
5. The Ministry of Finance has approved Chana District as a duty free zone.



#### 4. Property Used in Business

##### 4.1. Major Fixed Assets of the Company and its subsidiaries

As of 31 December 2021, the Company and its subsidiaries have property, plants, and equipment as follows:

Asset	Ownership style	Value at cost (Million Baht)	Net value (Million Baht)	Obligation
1. Plants	Owner	1,608.32	1,408.11	- none -
2. Land	Owner	11,031.60	11,031.60	- none -
3. Machinery	Owner	27,323.72	22,566.73	- none -
4. Tools and factory equipment	Owner	259.38	123.55	- none -
5. Furniture, fixtures, and office equipment	Owner	58.51	27.25	- none -
6. Major spare parts	Owner	55.66	55.66	- none -
7. Assets under construction and installation	Owner	2,391.45	2,391.45	- none -
8. Vehicles	Owner	0.65	0.47	- none -
9. Decommissioning assets	Owner	238.95	203.98	- none -
Total		42,968.23	37,808.80	

##### 4.2. Intangible Asset

- None -

##### 4.3. Investment Policy in Subsidiary and Associated Company

The Company has prepared investment policies for subsidiaries and associates by investing in subsidiaries and/or associates with an investment policy that is consistent with the vision and growth plans of the Company Group. This policy will make the company perform better, or more profitably, or invest in a synergy business for the company to increase the competitive advantage of the company and to enable the Company to achieve its goal of becoming a leading company in the core business of waste-to-energy power plants. The Company and subsidiaries and/or associates may consider investing in other businesses if the business has potential growth or is beneficial to the business of the Company Group, and which can generate a good return on investment. The investment of the company, subsidiary and/or associated company must be approved in The Board of Directors meeting or the shareholders' meeting of the company (depending on the case).

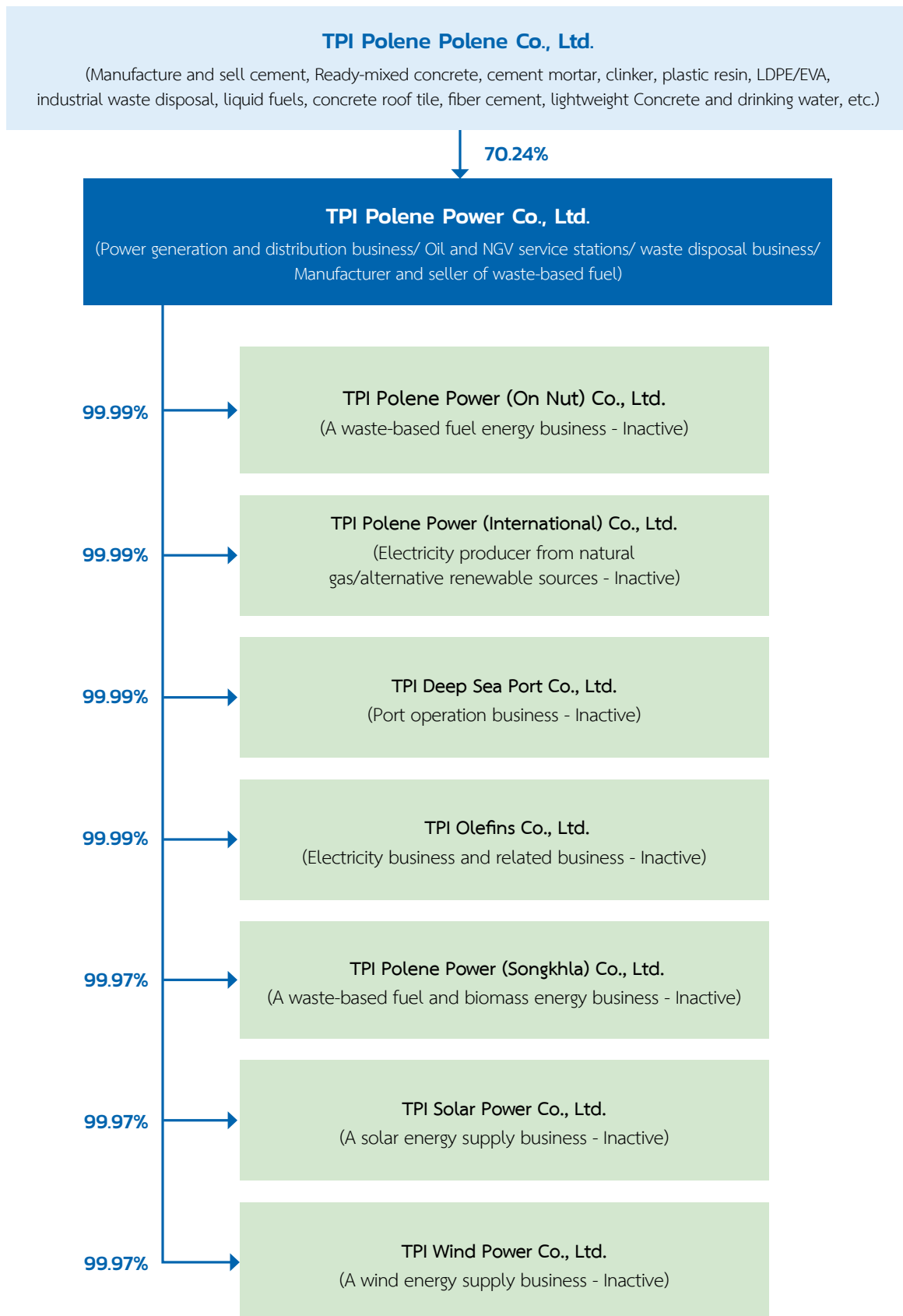
#### 5. Work-in-Process

- None -

## 1.3 Shareholding Structure of TPIPP Group

### 1.3.1 Shareholding Structure of TPIPP Group

As of 31 December 2021, the following diagram illustrates the Company Group's corporate structure:



### Affiliated Companies as of 31 December 2021.

Company	Head Office	Type of Business	Registered Capital (Bath)	Paid-up Capital (Bath)	% Share holding
1. TPI Polene Power (On Nut) Co., Ltd.	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	Electricity producer from waste (Inactive)	750,000,000	187,500,000	99.99
2. TPI Polene Power (International) Co., Ltd. (Previous name: Zenith International Power Co., Ltd.)	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	Electricity producer from natural gas/renewable sources (Inactive)	100,000,000	100,000,000	99.99
3. TPI Deep Sea Port Co., Ltd.	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	Port operation business (Inactive)	100,000,000	25,000,000	99.99
4. TPI Olefins Co., Ltd.	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	Electricity business and related business (Inactive)	1,000,000	1,000,000	99.99
5. TPI Polene Power (Songkhla) Co., Ltd.	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	A refuse derived fuel and biomass energy supply business (inactive)	1,000,000	1,000,000	99.97
6. TPI Solar Power Co., Ltd.	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	A solar energy supply business (Inactive)	1,000,000	1,000,000	99.97
7. TPI Wind Power Co., Ltd.	26/56 Chan Tat Mai Road, Thungmahamek, Sathorn, Bangkok 10120 Tel. Number (02) 285-5090-9 Fax Number (02) 213-1035	A solar energy supply business (Inactive)	1,000,000	1,000,000	99.97

### 1.3.2 Parties with Conflict of Interest

- None -

### 1.3.3 Relations with Major Shareholders' Business Group

At present, the Company's major shareholder is TPI Polene Public Company Limited, which holds 70.24% shares of the Company and has entered into purchase and sale agreements with the Company. According to the agreements, the Company agrees to provide certain services to TPI Polene while TPI Polene also agrees to provide certain services to the Company. If either party is able to receive goods or services from other vendors or service providers at a more suitable price or condition, such parties shall have the right to purchase products or services from the others. However, the purchase and sale price of goods or services between the Company and TPI Polene shall be set according to the market price. If there is no reference market price, the price shall be set at the cost plus a margin of about 2-10%.

The main transactions of the Company with TPI Polene PCL are as follow;

1. Buying raw water and coal
2. Buying waste heat in the form of hot gas emitted from the cement production process from TPI Polene PCL.
3. Payments for occasional labor service, spare parts and consumables, maintenance fees of power plants and equipment, and ash removal fees.
4. Payments for an administrative service charge of the head office and factories in some departments such as human resource, law, administration, information technology, research and development, waste management (to provide more channel for the Company to purchase waste), public relations and corporate communications, accounting, finance, import-export, and transportation.

The Company has sold electricity from the TG 1&2, TG7, and TG8 power plants to TPI Polene PCL at the same rate as TPI Polene PCL purchased electricity on the open market from the Provincial Electricity Authority.

However, TPI Polene PCL has clearly split its business activities between the Company and TPI Polene PCL. The Company shall be the flagship company for dealing with all types of power plant businesses, both domestically and internationally. While TPI Polene PLC and its subsidiaries shall not operate all types of power plants businesses to compete with the Company and/or its subsidiaries.

### 1.3.4 Shareholders

Top 10 major shareholders as of 30 December 2021 (latest closing date):

Shareholders	Number of Shares	Shareholding (%)
1. TPI Polene Public Company Limited	5,899,999,300	70.238
2. Thai NVDR Company Limited	114,284,241	1.361
3. Mr. Paiwan Chartpitak	108,832,400	1.296
4. Leophairatana Enterprise Company Limited	78,060,394	0.929
5. Mr. Prateep Tangmatitham	74,048,400	0.882
6. Southeast Asia UK (Type C) Nominees Limited	68,173,564	0.812
7. Bangkok Life Assurance Public Company Limited	67,826,500	0.807
8. NORTRUST NOMINEES LIMITED-THE NORTHERN TRUST COMPANY RE IEDU UCITS CLIENTS	54,536,500	0.649
9. Mr. Yuk Lung Lee	50,000,000	0.595
10. Mr. Nares Ngamapichon	45,000,000	0.536

**Remarks:**

- (1) TPI Polene Public Company Limited (TPIPL) is the major shareholder of TPI Polene Power Public Company Limited (TPIPP).
- (2) Shareholders of Thai NVDR Company Limited are holders of non-voting depository receipts (NVDR) who are ineligible for voting at shareholders' meetings except when exercising their voting rights on delisting the shares from SET.
- (3) Number 6 and 8 are nominee accounts. The Company's investigation at Thailand Securities Depository Co., Ltd. (TSD), found that the ultimate shareholder's names could not be disclosed.  
As of December 30, 2021, a group of major shareholders who, by circumstance, materially influenced the determination of the Company's management or operational policies is TPI Polene Public Company Limited (TPIPL), holding 70.238% shares in the Company.

## 1.4 Registered and Paid-up Capital

### 1.4.1 Common Shares

As of 31 December 2021, The Company's registered capital totaled Baht 8,400 million, consisting of 8,400,000,000 common shares at the par value of Baht 1 each. These shares represented Baht 8,400 million in paid-up capital, or 8,400,000,000 common shares.

### 1.4.2 Other Shares with Different Terms or Rights from Common Shares

- None -

### 1.4.3 The Company's Shares or Convertible Securities as Underlying Securities for Issuing Mutual Funds for Foreign Investors or Thai Trust Fund

- None -

### 1.4.4 Limitations of Share Transfers

There is no limitation except for transfers of shares to foreign investors that cause such foreign investors to own more than 49% of the total shares of the Company.

## 1.5 Issuance of Other Securities

### 1.5.1 Convertible Securities

- None -

### 1.5.2 Debt Securities

#### (a) Debentures, Debentures Registrar and Debenture Holders' Representatives

As of 31 December 2021, the Company issued unsubordinated/unsecured domestic debentures, in registered form with debenture holders' representatives. Details of debentures are summarized as follows:

Debenture Series	Name	Amount (MB)	Interest Rate (p.a.)	Issued Date	Maturity Date	Term	Debenture Holders' Representative	Debenture Registrar
TPIPP22NA	Debentures of TPI Polene Power Public Company Limited No.1/2019 Series1 Due A.D.2022	4,000	3.50 %	9 Aug 2019	9 Nov 2022	3 Years 3 Months	Bank of Ayudhya Public Company Limited	CIMB Thai Bank Public Company Limited
TPIPP247A	Debentures of TPI Polene Power Public Company Limited No.1/2020 Series1 Due A.D.2024	4,000	3.90 %	19 Aug 2020	19 Jul 2024	3 Years 11 Months	Bank of Ayudhya Public Company Limited	CIMB Thai Bank Public Company Limited
TPIPP23DA	Debentures of TPI Polene Power Public Company Limited No.1/2021 Series1 Due A.D.2023	3,000	3.00 %	10 Jun 2021	10 Dec 2023	2 Years 6 Months	Bank of Ayudhya Public Company Limited	Bank of Ayudhya Public Company Limited
TPIPP262A	Debentures of TPI Polene Power Public Company Limited No.2/2021 Series1 Due A.D.2026	4,523.6	3.55%	12 Nov 2021	12 Feb 2026	4 Years 3 Months	Bank of Ayudhya Public Company Limited	Bank of Ayudhya Public Company Limited
Total		15,523.6						



All bonds are rated as follows:

Credit Rating Agency	Company Rating	Outlook	Rating Date
TRIS RATING	BBB+	Stable	12 October 2021

Addresses of debenture registrar and debenture holders' representatives

Bank of Ayudhya Public Company Limited	CIMB Thai Bank Public Company Limited
<b>Address:</b> 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 Thailand <b>Telephone:</b> +66(0) 2296-2000, +66(0) 2296-5696 <b>Fax:</b> +66(0) 2683-1302	<b>Address:</b> 44 Langsuan Road, Lumpini, Pathum Wan, Bangkok 10330 Thailand <b>Telephone:</b> +66 (0) 2638-8000, +66 (0) 2626-7000 <b>Fax:</b> +66 (0) 2657-3333
<b>Debenture registrar:</b> TPIPP23DA TPIPP262A <b>Debenture holders' representatives:</b> TPIPP22NA TPIPP247A TPIPP23DA TPIPP262A	<b>Debenture registrar:</b> TPIPP22NA TPIPP247A

#### Legal Advisor for Issuing and Offering for sale of debentures

Weerawong, Shinnawat and Partners Co., Ltd.  
22nd Floor, Mercury Tower, 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

#### (b) Short-term Bills of Exchange

As of 31 December 2021, there was no outstanding of short-term bill of exchange.

## 1.6 Dividend Policy

### 1.6.1 Dividend Policy of the Company

The Company's dividend policy will be considered from the operational results of single financial statements of the Company. The Company pays out as dividends no less than 50% of its net income under financial statements after deducting all provisional reserves required by law and the Company. Dividend payment is subject to liquidity, cash flow, future investment plans, necessities, and other suitability. Once The Board has decided on annual dividend payment, it must seek approval from the shareholders' meeting.

In addition, The Board may from time to time approve the payment of interim dividends to shareholders, where it is justified by the profits of the Company. After the payment of such interim dividends, the transaction shall be reported to shareholders at the next meeting.

Separate Financial Statement	2021	2020	2019
Net Profit per share (Baht)	0.499	0.536	0.548
Dividend per share (Baht)	0.25	0.27	0.40
Par Value per Share (Baht)	1.00	1.00	1.00
Dividend Payout Ratio (%)	50.10	50.37	72.99

**Remarks:**

The dividend payment for the Company's 2021 operating results was divided into an interim dividend payment for the first half of 2021 at the rate of Baht 0.12 per share, which was already paid to shareholders, and the payment for the second half of 2021 at Baht 0.13 per share, which has been approved by The Board of Directors in the Company's Board of Directors' meeting no.2/2022 and is required to be approved in the 2022 Annual General Shareholder's Meeting.

### 1.6.2 Dividend Policy of subsidiaries

The Board of Directors of the Subsidiary shall consider and propose to the shareholders' meeting of the Company for approval each year, considering the dividend payment from the investment plan as necessary and appropriate by considering the net cash flow of subsidiaries, etc.

## 2. Risk Management

### 2.1 Risk Management Policies and Plans

#### Risk Management

The Company has a policy that focuses on risk management to a managed level continuously. In the past, the management information system (MIS), which covers all aspects, has been used as an indication of risks in various areas of operational management so that it can control the operations of each department in accordance with the targets set out. In addition, the Company has strategic risk management, investment decisions to ensure worthwhile for investment and create value added to the organization, shareholders and stakeholders and the business is supervised to ensure the continuity by ensuring business continuity and ready to deal with the crisis properly.

#### Board of Directors and Audit Committee

The Board of Directors is responsible for supervision of risk management by assigning the Audit Committee to represent policy issuing and supervising risk management of the business, control internal operations to ensure efficient and efficient business operation under an adequate and proper internal control system with operational documentation and a systematic management of critical risks. This results in the prevention of possible damage within a reasonable period of time and reduces business risk, help keep the Company's financial statements and reports reliable and protect the assets of the Company as well as shareholders' investments. In addition, the Company operates the business based on good corporate governance with adherence to the Code of Conduct in order for employees to comply with the Company's policies, taking into account the benefits and fairness of all relevant stakeholders, from shareholders, partners, contractors, clients, employees, related regulatory authorities, creditors, as well as placing an emphasis on helping society, take care of the environment. As for the employees, they have developed to promote learning in an organizational manner of learning that will result in sustainable development of the Company in the long term.

#### Audit Office

The Company has an internal audit department so that risks associated with internal processes can be managed, have appropriate internal controls to be in compliance with regulations to achieve the organization's operational objectives. The Internal Audit Department has an annual internal audit plan and a long-term audit plan in accordance with the direction of the business strategy and the significant risks affecting the operation. The audit results are reported to management and the Audit Committee for consideration, with regular follow-ups to the recommendations found from the audit process. In the performance of the internal audit department, there are no restrictions on commentary.

## Corporate Culture in Risk Management

The Company focuses on promoting a risk management culture throughout the organization, aiming to establish the foundation for short-term and long-term systematized risk management, cultivate awareness of risk management for all employees, as well as create an atmosphere and culture in risk management, assuming risk management as an important component of every business process and having to be connected at all levels by integrating into key work processes to promote effective risk management.

## 2.1. Risk Factors Affecting the Company's Businesses

### 2.2.1 Risk Factors Affecting TPIPP Businesses

#### Strategic Risk

#### (1) Risk from holding the purchased land for the Special Economic Area Development Project at Chana District Songkhla Province

Over the years, the Company had bought the land, aimed to invest in the southern special economic zone development project at Chana district (Na Thap, Taling Chan, and Sakom), Songkhla Province. Given the cabinet's approval on the Southern Border Provinces Administrative Center (SBPAC)'s proposal, which is to designate Chana district (Na Thap, Taling Chan, and Sakom), Songkhla Province as a special economic zone under the Southern Border Administration Act. Thus, the Company propose a project implementation plan, worth approximately 300 billion baht, spreading prosperity to the region, creating careers for people in the area and providing economic benefits. Subsequently, on 7 May 2019, the Thai cabinet approved the plan and ordered the SBPAC and related agencies to proceed in accordance with the approval.

On 7 March 2020, the SBPAC has sent a letter to inform the Company that the SBPAC had proposed the Southern Border Provinces' development and strategy committee to give an approval in accordance with the meeting resolution of the Southern border Provinces development and strategy committee No. 1/2019 on 31 October 2019 and the approval of the Thai cabinet on 21 January 2020. While the Southern Border Provinces' Administrative Center has coordinated with the parties involved in the project's investment plan to proceed in accordance with a requirement that any parties from the private sector are obliged to conduct an Environmental Impact Assessment (EIA) and/or Environmental and Health Impact Assessment (EHIA) studies. In March 2021, the prime minister reaffirms the government's commitment to developing the project by approved SBPAC to continue in accordance with the resolutions of the Cabinet.

The Company aims to become a developer of the Futuristic Advanced Industrial City project in a coastal area of Southern Thailand. The project shall include natural gas and other renewable power plants with a total capacity of 3,700 MW in Phase 1 and deep- sea ports. The Company plans to purchase land covering a total area of about 16,753 rai. At the end of 2021, the Company has already paid for the land amounting to approximately Baht 10,000 million and expects to pay additional Baht 6,000 million by using operating cash flow, when the project makes more progress. The Company's purchase of such land in advance has resulted in higher liabilities and may expose to many risks, such as the risk of project delays, the risk from changing in government policy and the risk of receiving objection from local residents. In addition, such a project can take many years since there is no specific timeline. Therefore, the Company may have to hold the land without receiving any returns for a long time.

If the project does not occur, the Company is able to gradually sell the land. However, the Company considers that it is very unlikely that the project will not occur since the Thai cabinet has already approved the development of the project. In addition, the key objective of the project is to enhance national security and economic conditions in southern region. Most of the purchased land is located in 3 sub-districts (Na Thap, Taling Chan, and Sakom) which are the areas designated by the government as development areas for the project. The Company has also collected and bought land along the beach about 2.1 kilometers to develop a deep seaport which is a part of the project. If other companies plan to invest in the project, it would be difficult to collect large tracts of land adjacent to the sea for developing a deep seaport since the remaining land in these 3 sub-districts is mostly community areas or a public area.

The Company shall not invest in the project further except in the case that the Company receives an official approval from the government, such as PPAs or BOI's investment promotions.

## **(2) Risk associated with investment and business expansion**

TPI Polene Group aims to expand the business growth in waste energy and alternative fuel, as well as to bring technology and innovation to drive the current business to sustainable growth, for example, the Company has replaced coal in cement production process to reduce production costs, create business growth potential in parallel with reducing greenhouse gas emissions that cause global warming. As part of the new business expansion, TPI Polene Group will consider joint ventures with partners who specialize in targeted businesses, the expansion of which might confront with the risk that the return on investment may not achieve the target as well as project implementation is delayed, and investments are higher than the budget.

Executive committees and senior executives of TPI Polene Group have responsibilities to scrutinize investment decisions before presenting to The Board of Directors to be of the opinions for investment decisions, the results of the project will be followed up to ensure the most effective and effective investments and report to The Board of Directors and senior management to ensure that investments are in the best interests and efficiencies. Investment projects are regularly monitored and analyzed to improve performance and review investment plans to reduce the risk level of the project to a manageable level by completing the project under the budget and in accordance with applicable laws and regulations.

## **(3) Uncertainties and adverse changes in the Thai government's initiatives, incentives and policies that affect the waste-to-energy industry may unfavorably affect the Company's business and results of operations.**

In selling power to EGAT, all of the Company's waste-fuel-fired power plants in operation are entitled to an adder of BHT3.5 per kWh, which is payable in addition to the base price of power under the power purchase agreements. Consistent with the current policies of the Thai government, the adder is available to each of the Company's waste- fuel -fired power plants for a period of seven years from the commencement date of commercial operations of the respective power plants.

Presently, the Thai government is in the process of formulating future policies in relation to its support of the development of the renewable energy industry by replacing the adder rate payment structure with a feed-in tariff scheme or a fixed amount per kWh which is paid during the life of the PPA or a fixed amount per kWh which is paid during the life of the PPA plus tipping fee.

In the past, operators who had power purchase agreements with adder with the authorities that were about to expire have submitted to the Ministry of Energy the application for permission to renew the contract with an adder as before. However, the Ministry of Energy has no policy to renew contracts with an adder. As a result, the company will not have revenue from an adder.

In the event that the power purchase agreement with an adder is about to expire after the end of the seventh year of the power purchase agreement, the company has considered the guidelines by reducing the production cost of RDF and may consider collecting waste disposal (tipping fee) as income for compensation of the adder that is not received from the electricity charge. According to concerns on climate change and discussions at United Nations Climate Change Conference of Parties (COP26), all countries are interested in reducing global emissions and will set up their funding of carbon credits from municipal waste disposal. This will give the Company a unique opportunity to gain benefits from a large amount of carbon credits, which can compensate for loss of income from the expired adders.

## **(4) The Company poses the risk of a decrease of power income due to a reduction of a fuel adjustment tariff (Ft)**

The COVID-19 pandemic in 2020 that adversely affected the economy has resulted in lower demand for power in the country. The government wanted to stimulate the economy and help reduce the people's cost of living by reducing the fuel adjustment tariff (Ft). Throughout 2020, the EGAT's tariff rate under the Non-firm Power Purchase Agreement, decreased approximately Baht 0.0083 per unit while the PEA's tariff rate, which is the rate at which

the company sells power to cement plants decreased by Baht 0.2021 per unit. Although the power sales volume and sales revenue in 2020 increased compared to 2019, the profit margin was lower due to the decrease in the tariff rate. In 2021, it is predicted that the Ft tariff will more likely decrease due to the domestic economy. The Ft tariff also depends on foreign exchange rates, inflation, and world fuel prices.

**(5) The Company may be unable to fully comply with the laws and regulations relating to regulatory approvals for business operations with relevant authorities, laws and regulations regarding health, hygiene, safety, and environmental and other laws and regulations as well as the conditions under relevant licenses.**

Because of the nature of the Company's power plants and petrol and NGV gas operations, the Company is subject to the laws and regulations relating to regulatory approvals for business operations, construction of power plants, and installation of machinery with relevant authorities, laws and regulations regarding health, hygiene, safety, environment and other laws, and conditions under licenses required for business operations and regulations of Thailand. Such laws and regulations govern, among other matters, air emissions, wastewater discharges, solid and hazardous waste management, and the use, composition, handling, distribution, and transportation of hazardous materials.

The Company implemented Quality Standard System ISO9000 for all products of the Company, International Environmental Standard System ISO14000 as well as Energy Management Standard System ISO50001, certifying that it has conducted its business operations according to all the rules and regulations related to health and safety for production plants to be environmentally friendly, including an assessment of operations and risks to ensure that the Company's operations are in compliance with related governing laws.

The provisions of the government's rules, legal regulations and policies are an important factor in the strategy of business operations and the expenses of TPI Polene Group and TPI Polene Group has functioned as follows

1. There is a team to monitor and report changes in government policies, rules, and legal regulations for TPI Polene group's business operation to ensure compliance with the rules and legal regulations.
2. A team of legal advisors and tax advisors to give advice to TPI Polene group to comply with relevant regulations.
3. There is a procedure to support legal risks in advance by monitoring new legal issues and new regulations to analyze the issue and problems and prepare discussions on the clarity of the guidelines in order for the ongoing business operation of TPI Polene Group to comply with legal regulations and new rules that will be enforced in the future, as well as to be factored in the consideration of investment in projects.
4. There is a regulatory process to comply with rules and legal regulations to comply with good corporate governance guidelines, in accordance with good governance principles and adequate internal affairs control and all-round risk considerations are considered to reduce the risk of operations that do not comply with applicable rules and legal regulations.
5. Embed values for employees to comply with the Group's business ethics in accordance with TPI Polene Group's commitment to be a responsible manufacturer for the community, environmental surroundings, as well as stakeholders in all sectors.

**(6) Risks associated with personnel development to support business growth**

According to TPI Polene Group's business growth plan, the personnel and organizational structure must be organized. TPI Polene Group attaches importance to the development of personnel at all levels to support business growth. It coordinates with relevant educational institutions to support the growth of TPI Polene Group's business under proper management.

**(7) The risk associated with climate change**

From the globally focused climate change issue, it has led to the goal of reducing greenhouse gas emissions, which may direct future greenhouse gas emissions guidelines, which are the risk of catastrophic climate change and severe natural disasters caused by greenhouse gas emissions.



TPI Polene Group, a major cement manufacturer in Thailand, is committed the policies and visions to become an environmentally friendly cement producer, using Net Zero GHG Emission policy and find ways to reduce greenhouse gases that cause global warming. This is in line with other public and private sectors that are aware of the problem, Thailand is clearly one of the countries affected by climate change. It is important that all sectors work together to set up preventive and remediate solutions to reduce greenhouse gas emissions that are the leading cause of the problem. This is also in line with government policies that have pledged internationally that Thailand will fully enhance its climate solutions so that Thailand can meet its net zero emissions target by 2050.

TPI Polene Group is well aware of the risks of such changes by taking support in a seriously pragmatic business model. The waste is used as a renewable fuel for coal in cement and mortar plants. It is expected that in 2024, TPI Polene Group will have zero net greenhouse gas emissions.

#### **(8) Risks associated with drought situation**

As a result of sudden climate change, the rain does not fall seasonally while there is an increase in demand for water. The Group has a water management policy to reduce water use by undertaking the following relevant actions:

1. Construction of rainwater ponds to replace the use of water from natural sources
2. Recycle the wastewater from the cooling tower to improve the quality for recycled water instead of discharge.
3. Conduct social and environmental activities to restore related areas.

### **Operational and Business Risks**

#### **(9) Risk from reduced operating income**

According to the Company's power purchase agreements (PPAs) which signed with the EGAT, the Company shall sell electricity at a rate equal to the base tariff, plus an adder of Bath 3.50 per kilowatt-hour, totaling approximately Baht 6.50 per kilowatt-hour for a period of seven years. After the period of seven years, the Company is still able to sell electricity to the EGAT at the base tariff. The Company's two adder programs with total contract capacity of 73 MW (The Company owns three adder programs with total contract capacity of 163 MW) will expire in January and August 2022, respectively. Another with total contract capacity of 90 MW will expire in 2025. Those will result in a reduction in the Company's future income and cash flow.

However, the Company shall invest in more projects to compensate for the declining income. In 2021, the Company signed two more PPAs on the 7.92-megawatt waste-fuel power plant project in Songkhla, and the 9.9-megawatt waste-fuel power plant project at Korat, Nakhon Ratchasima. The Company is also preparing to participate in the bidding of more waste-fuel power plant projects, which are expected to start bidding in 2022. All bidding projects shall have the contracted capacity of approximately 8 to 9.9 megawatts per project. In addition, the Company is in a process of submitting a proposal for the sale of electricity generated from waste-fuel power plants under a 40-megawatt PPA from the government. The Company expects that the revenue from the new projects shall compensate for the declining income from the expired adder, with the projects expected commercial operations in 2023-2024.

In 2021, the Company received some income from selling waste-fuel to the Kiln 2 and Kiln 3 of TPIPL' cement plant, which has used waste-fuel as a replacement for coal. In 2022, the cement plant shall demand more waste-fuel after the Kiln 1 and Kiln 4 are improved. Total income from selling waste-fuel to cement plant will be worth approximately Baht 300 million.

In addition, the Company's expense is expected to decline, resulted from the lower usage of coal in improved coal-fired boilers. The Company aims to reduce the consumption of coal by 200,000 tons by 2022, which will reduce expenses by about Bath 500 million per year.

**(10) Full energy payment and adder rates from EGAT depend on the Company meeting the requirements specified in the power purchase agreements.**

Under the power purchase agreements with EGAT for the Company's RDF-fired power plants, the Company must satisfy certain requirements with respect to the fuel source. The Company is required to use waste as the primary fuel. The power purchase agreements with EGAT also allow the Company to use other types of fuel as co-fuel, including waste heat emitted from TPIPL's cement production process, but the Company may not use coal as co-fuel. The use of such other types of fuel must not exceed 25.0% of the total amount of thermal energy used in power generation in any contract year.

The Company has placed an emphasis on the above issue as a top priority, in compliance with regulations imposed for the use of fuel sources and has always received the full energy payment and adder rates throughout the life of the PPA terms.

**(11) The Company has a small number of offtakers.**

The Company substantially sells all of the power produced for EGAT and TPIPL. EGAT is the Company's largest and most important customer and the Company's power purchase agreements with EGAT are material to its business. The power purchase agreements with EGAT are on a non-firm basis and as such, while EGAT is required to offtake power supplied to it, these plants are not obligated to supply a minimum amount of power to EGAT.

The Company's offtakes are primarily state enterprises and creditable private companies: EGAT is one of the Company's offtakers, a state enterprise with a strong foundation, while TPIPL, which is an investment grade company.

**(12) The Company's competitors compete with the Company for waste supply and entry into power purchase agreements with EGAT, and the competition could intensify as waste processing technology matures and as new competitors enter the market.**

There is intense competition in waste sourcing. In the event that the Company's competitors' waste processing technology enables them to process waste in a more cost-effective manner than the Company, they may be able to make waste-sourcing arrangements with local governments and waste companies on terms that are more attractive to these parties than the Company is able to offer. Such competition may intensify further as new domestic and international waste-to-energy power generation companies enter the market.

In addition, the Company competes with other power producers to enter into power purchase agreements with EGAT. Once a power producer has entered into a power purchase agreement with EGAT, it benefits from a stable stream of power sales income for a fixed number of years as specified in the agreement in exchange for supplying power to EGAT. As such, most competition in the waste-to-energy industry occurs during the contract bidding phase. The Company typically secures power purchase agreements through a public tender process with EGAT. The Company faces strong competition mainly from domestic waste-to-energy companies which compete in terms of technology, reliability, and project execution capability, among others.

With a long-established proficiency to consistently pursue its waste-to-energy power plant operations and successfully generate operational profits, the Company remains a leading and a large RDF power plant operator in the country and continues to strengthen its competitive advantages over its competitors. With the readiness of its capital investment, together with its long experience to manage production plants and modern production technology as well as its creditability, TPI Polene Power has accomplished and successfully implemented sustainable power plant projects throughout the period.

**(13) The Company's waste-to-energy generation depends on a stability of waste-fuel supply and a calorific value of the waste-fuel**

The Company decides to expand the amount of raw material received from the sources by increasing the raw material production capacity and finding more new raw material sources. In 2021, the Company could increase the amount of raw material supply by 2,500 tons per day and aims to expand more supply of about 1,500 tons per day in 2022, with continued supply increases as demand grows. By proceeding in procuring new raw material sources, for example, in the year 2022, the Company has entered into contracts with waste disposal contractors in Bangkok

with a capacity of 1,000 tons per day, and Khao Ngu in Ratchaburi Province with a capacity of 500 tons per day. There are also more sources that are currently in the process of being negotiated.

In addition, The Company's partnerships with waste disposal contractors to improve the quality of sorting and waste fuel production shall provide higher quality waste-based fuel and lower production costs for the Company.

**(14) The Company's generation of power from waste heat depends on a steady supply of waste heat from TPIPL**

The Company relies on a steady supply of waste heat for the generation of power from its waste heat recovery and waste-based fuel-fired power plants. The Company sources all its waste heat requirements from TPIPL by recovering hot exhaust gas emitted from TPIPL's cement production process. In the event of a disruption in TPIPL's cement production process, or a decrease or slowdown in TPIPL's cement production or gas recovery equipment breakdown, the Company may not have sufficient waste heat supply to generate power from its waste heat recovery power plants and waste-based fuel fired power plants. In such an event, the Company's power production could be disrupted, and its business, financial condition, and results of operations may be materially and adversely affected. In addition, technological changes in the cement production process reducing waste heat emission may render the Company's waste heat recovery power generation capacity inefficient and therefore, materially, and adversely affecting the Company's business and prospects.

However, the Company has modern production technology for power generation that is separated entirely from the cement production process of TPIPL, its parent company. In this regard, the Company can manage whether to use waste-based fuel or waste heat or coal as fuel to generate power, aiming for the ultimate benefit of the Company. As for the electricity that the Company sells to the parent Company, the Company opts to use waste heat or waste-based fuel or coal at 100% as fuel to generate power whenever there is no waste heat emitted from cement production plants of the parent company. The Company can also choose to shut down its power plant for maintenance to be in line with planned shutdowns of the cement plants of the parent company.

**(15) A failure to secure commercially reasonable coal supply arrangements or any interruptions in coal supplies may adversely affect the Company's operations of its coal-fired power plants.**

At present, the Company operates commercially in the coal-fired power plants business. The success of operating such power plants depends on many factors including the ability to source a sufficient amount of coal at competitive prices. The Company entered into purchase agreements to purchase coal at the rate specified under the agreement with TPIPL.

The Company Group has more than 20 years of experience purchasing large quantities of coal from a number of coal suppliers for use in cement production. As a result, the Group has the bargaining power to procure high quality and low pollution coal which can be used in the two coal-fired power plants, TG7 (70MW) and TG8 (150MW). However, the Company plans to reduce the use of coal in the two power planets from 2022 onwards and has set a target to use waste-based fuel as a replacement for coal by 2025.

**(16) Investments in research and development may not necessarily lead to timely improvements in technology and the Company may be unable to keep pace with technological changes in the industry.**

An important factor for the Company's success is the timely development of important new technologies to ensure that the Company's power plants, particularly its waste-based fuel-fired power plants, and waste-based fuel production can keep pace with technological developments. Each successive improvement in waste processing techniques generally involves an increase in complexity that may enhance the required level of investment and demand more development efforts. In addition, the Company may devote research and development resources to technologies that turn out to be unsuccessful or do not yield the expected results in a timely manner.

The Company has long experience in managing waste-based fuel production plants to produce qualified waste-based fuel with high heat content for power generation. The Company maintained its position as the leading power plant operator in Thailand, with the largest waste-to-energy power plant operations in the country, so we are confident that the Company can adapt its production process to be in line with technology changes.

In addition, the Company Group develops staff members at all levels, including production and maintenance staff, to optimize teamwork. The Company schedules training programs to educate employees to be able to fully perform their own tasks as well as work in place of others.

**(17) The Company may be adversely affected if there is any significant downtime at any of the Company's plants.**

Normal wear and tear of the power plants is a natural consequence of operations in the Company's industry and results from exposure to the elements and deterioration of equipment. The Company cannot ensure that repairs and maintenance activities will be conducted in a timely manner or at all, and any extensive downtime at any of the Company's plants could have a material adverse effect on the Company's business, financial conditions, and results of operations.

The Company has developed, and improved production efficiency as planned by investing in additional boilers as back-up boilers when the existing boilers undergo maintenance and in order to increase steam production capacity to greater than 150% for the turbine generators of all power plants. In addition, the Company prepares and reserves various machines and spare parts to be ready for emergency or unplanned shutdown of power plants, thus reducing the impact of plant shutdowns. The Company has a continuous plan for repair and maintenance of its power plants. This aims to enhance a high utilization rate of all power plants and mitigate risk of downtime impact.

**(18) For the Company's projects under development, the estimated time frame and budget for the completion of critical tasks may be materially different from the actual completion date and costs, which may delay the date of commercial operations of the projects or result in cost overruns.**

The Company's power plants involve commission risks, which may result in delays or performances that are below expected levels of output or efficiency. In addition, projects under construction may be affected by the timing of the issuance of permits and licenses by government agencies. Furthermore, adjustments to the scope of work may occur from time to time due to incidents of force majeure.

However, the Company has related departments which are responsible for overseeing the construction of the project and progress reports throughout the project period. Thus, most projects can be commercially operational on schedule.

**(19) Risk associated with safety, occupational health, and environment**

A control of safety, occupational health, and environmental risks may lead to loss of life, or illness due to the work of employees and contractors. This creates interruptions to the continuity of business operations and can affect communities, society, and the environment.

Therefore, TPI Polene group has a policy of guidelines for compliance with quality policy frameworks, quality, security, safety, health, and environmental policy to create safety attitudes for all parties involved. Each plant has appointed an Occupational Safety and Health and Working Environment Committee to drive safety and environmental work in accordance with occupational health policy as well as developing, improving, and promoting occupational health, and safety work for employees, contractors and stakeholders entering the factory area to work safely. The Company has guidelines for promoting the operational safety of employees and contractors as follows:

- Establish occupational health, safety, and environmental policies
- Establish policies in accordance with Occupational Health and Safety Management System (OHSAS 18001/ISO45001) standards.
- Risk assessment and guidelines for occupational health and safety risk management work environment, including risk assessment and risk management guidelines that may affect surrounding communities and the environment.
- Establish operational safety manuals and supervising operations in accordance with safety manuals and procedures.

- Accident and incident reporting and investigation, including setting solutions and precautions to prevent repetition of accidents.
- Supervision of performance following safety laws, occupational health and work environment and other related regulations.

**(20) Risk associated with COVID-19 pandemic**

Throughout the COVID-19 pandemic, the Company has taken measures to prevent potential risks, focusing on the safety of its employees. The Company has guidelines for promoting the operational safety of employees and contractors as follows:

- Provided RT-PCR Swab test to all employees.
- Procured COVID-19 testing kits (self-testing kits) to detect COVID-19 infection for employees who are at high risk or come into contact with infected people.
- Provided TPI Polene healthcare products such as BIO KNOX, Microme Knox Solution, mouthwash, and alcohol gel to both employees and their families to keep employees and families healthy and immune to COVID-19.
- Provided a vaccine against the coronavirus to all employees at the Company's head office, Saraburi plant, Rayong plant, and took other preventive measures.

**(21) The risk associated with digital technological advancement**

The rapid change in technological advances and innovations has been abrupt and has an impact on the competitiveness of the TPI Polene Group. Therefore, the Company combines business tactics with technology innovation in processes to maintain its leadership in the waste fuel-fired power plant business.

**(22) Risk associated with threat to cyber security**

Amidst today's high competition, TPI Polene increased production efficiency by relying more on the use of digital technology in both production systems and support lines, when connecting to the Internet, which could lead to TPI Polene Groups facing potential cybersecurity threats.

In order to prepare the Group for the cybersecurity of the computer systems used in business operations (Information Technology) and in operation technology, the Group has implemented the following:

1. The task force is responsible for overseeing and developing such matters in the short and long term.
2. Conduct system tests and practice plans to prevent potential cybersecurity threats.
3. Educate employees about potential threat patterns to prevent and deal with information technology threats.

**Financial Risks**

**(23) Risk associated with funding and interest rates**

The Company was the winner of the bidding for the 7.92 megawatts waste-to-energy plant project in Songkhla with a 20-year PPA and also won the bidding for the 9.9-megawatt waste-to-energy plant project at Korat, Nakhon Ratchasima with a 20-year PPA. In addition, the Company is also preparing to participate in the bidding of several waste-to-energy plant projects, which are expected to begin bidding in 2022, with the contracted capacity between 8-9.9 megawatts per project. The Company anticipates that the projects will have a reasonable rate of returns. As a result, during the construction period of approximately two years, the Company's debt burden will increase. However, the debt burden will decrease significantly after the start of the commercial operations since the projects will give good returns. The Company expects that EBITDA for each of these projects will be approximately Baht 300-350 million per year.

To invest in the two bidding processes for waste-to-energy plant projects, the Company shall issue debentures as a source of funds for the projects, which will result in an increase in the Company's interest-bearing liabilities. The Company expects that the net debt to EBITDA during construction will rise and will begin to decline once the project is commercially operational.

#### **(24) Risk associated with maintaining financial ratios**

As of December 31, 2021, the Company issued name-registered, unsubordinated, and unsecured debentures with or without debenture holders' representatives, totaling Baht 15,523.6 million. Details of the debentures are summarized as follows:

1. Debt debentures of the Company and its subsidiaries were Baht 8,000 million, issued under the medium-term note program B.E. 2018 of TPI Polene Power under the condition that it must maintain Debt to Equity Ratio (Debt means interest-bearing debt) at the end of each quarter or at year-end not greater than 1.75:1.
2. Debt debentures of the Company and its subsidiaries were Baht 7,523.60 million, issued under the medium-term note program B.E. 2021 of TPI Polene Power under the condition that it must maintain Debt to Equity Ratio at (Debt means interest-bearing debt, less cash, deposits and short-term investments in excess of Baht 1,500 million, and less lease liabilities and financial debt for investment in power plants with official contracts) at the end of the quarterly accounting period or the end of the fiscal year over the life of the debentures at a ratio not exceeding 3:1

As of December 31, 2021, the Company and its subsidiaries' Interest-Bearing Debt to Equity Ratio equated 0.52:1, which was not higher than 1.75:1, as per the terms and conditions stipulated in the debentures agreements under Clause 1, and equated to 0.39:1, which was not higher than 3:1, as per the terms and conditions stipulated in the debentures agreements under Clause 2.

However, if the Company and its subsidiaries are unable to maintain the debt-to-equity ratio in accordance with the stipulated terms and conditions, it may cause the Company to default on the terms and conditions and push all of the debentures to become due immediately. However, the Company has given importance to and will closely monitor the situation to ensure that the debt-to-equity ratio and capital structure of the Company and its subsidiaries are continually at an appropriate level.

#### **(25) Risk from the Company's dependence on funding sources from debt financing**

As of December 31, 2021, the Company has outstanding debentures of Baht 15,523.6 million, representing 95.0% of total interest-bearing liabilities. In the past, the Company mainly depended on debt instruments as a source of funds to invest in businesses and pay back debentures. However, in 2022, the Company will have debentures that are due amounting to Baht 4,000 million. The Company plans to issue new debentures to pay off these debentures that are due. Therefore, if the bond market is volatile and the Company could not issue debentures as scheduled, the Company's risk of default on debentures would rise and may result in a default on all outstanding debentures (Cross Default).

The Company has the policy to raise funds through debentures due to lower financial costs and unsecured credit, compared to financial loans from commercial banks. However, the Company still continuously uses revolving credit lines to maintain business banking relationships with commercial banks.

#### **Risk associated with investments of securities holders (instrument risks)**

##### **(26) Credit Risk**

Bondholders are vulnerable that they may not receive interest or principal payments in the event that the business and performance of the issuer is not as expected, or the assets of the issuer are insufficient to pay the debt; therefore, before making an investment decision, investors should consider the issuer's financial position and ability to repay from the information specified in the Offering Circular and draft prospectus for assessing the credit risk of debentures. If the credit rating of the issuer is low, it indicates that the credit risk of the issuer is high. The returns that investors receive should also be high to compensate for the high risk of such debentures. However,



credit ratings do not provide advice to buy, sell or hold debentures offered, and credit ratings may be cancelled or changed over the life of debentures. In addition to determining the credit rating of debentures, investors should follow the information of the issuer as well as update the credit rating from the SEC website, credit rating institution, or Thai Bond Market Association.

**(27) Risk associated with event of default**

History of default on principal or interest of debt instruments or default on loans from commercial banks, capital firms or financial institutions with specific laws established.

- None -

History of breach of conditions for compliance with rights requirements during 2018-21

- None -

**(28) Risk associated with investing in foreign securities (in case the issuer is a foreign company)**

- None -

## **2.2.2 Risk associated with legal disputes**

On December 16, 2019, a total of 222 individuals sued the Energy Regulatory Commission (ERC) et al in the Central Administrative Court. The Company was listed as the 5th Defendant. The Plaintiffs requested that the approval of the Environmental and Health Impact Assessment (EHIA) report for the 150 megawatts thermal power plant project, and the license to operate electricity generating business and the construction approval of the Company be revoked. The Plaintiffs also requested that the Court take evidence out of Court and issued an interim measure and ordered that the electricity generating system be temporarily stopped until the final decision is reached.

On December 25, 2019, the Court inquired both Parties in considering the request for the interim measure and rendered its decision on January 28, 2020, denying the request for an interim measure.

Subsequently, on January 31, 2020, the Court ordered the acceptance of the complaint and request the Company to file its answers within the time limit. The lawyer submitted the answers to the Court on July 1, 2020. The case is being considered by the Court.

On December 7, 2020, the Court sent the objection to the answer of the 5th Defendant (the Company) and requested the Company to submit additional answers to the Court within the prescribed period.

The Company submitted the additional answer to the Court on March 12, 2021, and the case is being considered by the Court.

The Company's legal consultant considered the complaint and its appendixes and hereby opines that the Company lawfully received the license to operate the electricity generating business and the construction approval from the competent authorities. The complaint of the Plaintiffs is untrue. As the case is in the preparation for an answer, the Company has cause to relieve itself of any liability generated from the complaint depending on the Central Administrative Court Decision. Moreover, the Company has pressed charges against the 222 Plaintiffs to the Muak Lek Police Station, Saraburi, for taking false information to charge the person in the Court. The case is being investigated by the police.

### 3. Driving Business toward Sustainability

#### Sustainable Development Performance of the Company in 2021

Economic Dimension (Unit : mil)	Environmental Dimension	Social Dimension	Corporate Governance Dimension
Revenues Baht 11,351.08 mil.	Carbon Credit certified 82,056 tons Co2 equivalent and is in the process of being registered to certify carbon credit from TGO, of approximately 709,752 tons Co2 equivalent	Investment in social assisting Baht 126.04 mil	Proportion of Independent Directors 33.33%
Employee expenses Baht 58.21 mil.	Reduce greenhouse gas emissions by using community waste to energy 5.08 mil tons Co2 equivalent (which carbon credit registration must obtain certification from the relevant authorities.)	Injury Frequency Rate (IFR) of Staff and contractors 0.354 and 0	Proportion of Female Directors 26.67%
Tax expenses Baht 115.61 mil.	Waste to energy plants can dispose of community waste. 2.19 mil. tons	No loss time injury (hrs) 538,968 hrs (an increase of 49.65% over 2020)	Discrimination Complaints 0
Net profit Baht 4,191.33 mil.	Reduction of energy consumption, compared to the amount of last year. 4,195,833.44 Gigajoule	Death and injury rates from the work of employees and contractors 0	Data Security of customer No complaints of personal data breach
Dividend per share Baht 0.25	Waste management under the three Rs approach to total waste quantity 100%	Average training hours to employees 28.04 hrs per person per year	Acknowledgement of the Partner Code of Conduct by trade partners 90.38%
	Budget for research and technology development. Baht 1,485 mil.	Disposing of COVID-19 infected waste 3,892,000 Kg (Oct-Dec 2021)	

### 3.1 Sustainable Management Policies and Goals

The Board of Directors and the top management of the Company have established sustainability policies with a focus on being instrumental in driving the organization to achieve its sustainability vision in line with the direction and strategy of business operations to balance for the Economy, Environment, and Society under good corporate governance with a framework for sustainability policy and management as follows:


1. **Economic Dimension:** With an emphasis on the adoption of technology and innovation in the production process of quality products and services with effective management at every stage with R&D results to further and constantly develop business models and create added value for products and services, as well as seeking investment opportunities that offer high returns on investment.
2. **Environmental Dimension:** Aiming to develop into a low-carbon society by targeting net zero greenhouse gas emissions at cement plants and surrounding areas of Mauk Lek and Kaeng Khoi, Saraburi Province by 2024, with the implementation of a green manufacturing production process using a circular economy policy to increase energy efficiency, increase the capacity to use renewable energy while tackling solid waste, waste and proper water consumption and further reduce the impact of operations throughout the value chain and respond to all stakeholders in a balanced way.
3. **Social Dimension:** Conducting business with social responsibility, create balanced consideration of all stakeholders, create good returns on investment for shareholders, and take into account human rights principles, protect labor rights, safety, hygiene, and create a good working environment, and continuously manage and develop talent and skills for personnel, respect privacy of information, promote youth in education, and contribute to creating value and improving the quality of life of the community and society to grow sustainably.
4. **Corporate Governance Dimension:** Adhering to the principles of accuracy and compliance with applicable laws and regulations, and business ethics, with an operating framework based on good corporate governance principles, transparent disclosure of information, and performance with versatile risk management and flexibility in management.




Details and policies and sustainability management goals can be downloaded at:


<http://www.tpipolenepower.co.th/index.php/en/en-investment/ar/sustainability>

#### The United Nations' Sustainable Development Goals (SDGs)

The Board of Directors and the top management of the Company have established sustainability policies towards the Sustainable Development Goals (SDGs) of the U.N. in line with the vision, mission, business nature, strategic plans, key sustainability issues, and stakeholder expectations. The selected 10 of the 17 main sustainable development goals are as follows:



SDGs	Operating guidelines	Results
	<ul style="list-style-type: none"> <li>• Determine operating guidelines in accordance with the ISO45001 Occupational Health and Safety Management System.</li> <li>• Provide additional welfare to workers to access medical services in cases of non-operational related</li> <li>• Support employees' health care by defining additional health checklists according to the risk of age groups, such as blood lipid testing (Total Cholesterol, LDL, HDL, Triglycerides) for employees to monitor their own health.</li> </ul>	<ul style="list-style-type: none"> <li>• Injury rates from the work of employees is equal to zero</li> <li>• Accidental rate from the work of employees is equal to zero</li> <li>• In 2021, the company reduced greenhouse gas emissions by 5.08 million tons (registered carbon credit must wait for approval from the relevant agencies) from the amount of waste that has been sorted for use as fuel, about 2.19 million tons. The Company aims to receive more waste to use as fuel. This will result in reducing emissions of greenhouse gases and global warming which has led to better health and well-being of people.</li> </ul>

SDGs	Operating guidelines	Results
	<ul style="list-style-type: none"> <li>• Determine the policy and vision to be an environmentally friendly cement and electric power producer. TPI Polene Group set targets as Net Zero Greenhouse Gas Emission Producer at cement plants and surrounding areas at Mauk Lek and Kaeng Khoi, Saraburi Province, with main activities mainly due to the use of waste as coal renewable fuels in 30- 40% cement production processes and 90- 100% of electricity generation.</li> <li>• The Company's waste fuel plant reduces greenhouse gas emissions by using waste to produce fuel instead of landfilling, which causes global warming.</li> <li>• Participated in the voluntary greenhouse gas reduction projects under Thai standards and waste management project (T-VER) under Thailand Greenhouse Gas Management Organization (TGO).</li> </ul>	<ul style="list-style-type: none"> <li>• As of the end of 2021, the Company has been registered by Thailand Greenhouse Gas Management Organization (TGO) for the reduction of greenhouse gas (Carbon Credit) from the project to use community waste as fuel, amounting to 82,056 tons of carbon dioxide equivalent. and is in the process of being registered by the TGO to certify the amount of greenhouse gas reduction (Carbon Credit) for 709,752 tons of carbon dioxide equivalent.</li> </ul>
	<ul style="list-style-type: none"> <li>• Determine training plans for employees to develop both Soft Skills and Hard Skills, totaling 115 courses in 2021, with the goal of training at least 18hours/person/year.</li> </ul>	<ul style="list-style-type: none"> <li>• Number of training hours: 28.04 hours/person/year Classified as male 30.67 hours/person/year, female 3.52 hours/person/year</li> <li>• A total of 1,142 employees, representing 100 percent, were assessed on their performance.</li> </ul>
	<ul style="list-style-type: none"> <li>• Follow the 3 Rs (Reduce, Reuse, Recycle) principle by increasing water use efficiency by reducing the amount of water used in the production process and bringing back wastewater from the office through the treatment to reuse water without discharged outside the factory (water treatment) by the company's water management.</li> </ul>	<p>In 2021, the Company has managed water as follows:</p> <ul style="list-style-type: none"> <li>• Water consumption of 9,357,646 cubic meters.</li> <li>• Use of recycled water from treatment process of 355,304 cubic meters.</li> </ul>
	<ul style="list-style-type: none"> <li>• Set a target for internal energy use (Station Service Used) must not exceed % 1.2 of the amount of energy produced.</li> <li>• Set guidelines for energy management according to ISO 50001 standards.</li> </ul>	<p>During 2022-2021, the Company has taken the following actions:</p> <ul style="list-style-type: none"> <li>• Cooling Tower Optimization to increase turbine efficiency and reduce electrical power for cooling system.</li> <li>• Perform turbine maintenance to clean Turbine condensers No. 5 and .7</li> <li>• Perform the air volume adjustment in Boiler B 8 to increase combustion efficiency.</li> </ul>

SDGs	Operating guidelines	Results
	<ul style="list-style-type: none"> <li>Developing and investing in projects related to clean energy with the goal of reducing environmental impact and generating income distribution to society such as               <ul style="list-style-type: none"> <li>Investment in the construction of waste fuel power plant projects                   <ol style="list-style-type: none"> <li>Waste-to-power project of Nakhon Ratchasima Municipality Installed capacity of 12 megawatts, contract period of 20 years, with an investment of approximately 2,000million baht, expected to start COD in 2024</li> <li>Waste-to-power project in Songkhla Province, installed capacity of 12 megawatts and contract period of 20 years, with an investment of approximately 2,000million baht, is expected to start COD in 2023.</li> </ol> </li> <li>Improving production processes to reduce greenhouse gas emissions and make efficient use of resources by:                   <ol style="list-style-type: none"> <li>The boiler improvement project of the coal-fired power plant TG7 (70MW) to be a waste-to-power plant with an investment of approximately 1,000 million baht to use waste fuel to replace 100% coal. It is expected to complete Phase 1 in 2022-2023 with the capacity 40 MW of production and the second phase in 2024 will expand the capacity to 70 MW.</li> <li>The boiler improvement project of the coal-fired power plant TG8 (150MW) to be a waste-to-power plant with an investment of approximately 3,000 million baht to use waste fuel to replace 25% coal at Phase 1 in 2022 and less than 10% coal at Phase 2 in 2025. This not only reduces the cost of electricity generation, but also reduces the import of coal and greenhouse gas emissions.</li> </ol> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Two community waste power plants (at Nakhon Ratchasima and Songkhla Provinces)</li> <li>Boilers improvement project of TG 7 in 2023-2024 onwards</li> <li>Boilers improvement project of TG 8 which aims for cost savings in 2022-2025.</li> <li>The future industrial model city project, with an investment value approximately 300 billion baht, is expected to result in 100,000 jobs. It is a project to strengthen national security through the promotion of export-import industries products and higher employment</li> </ul>

SDGs	Operating guidelines	Results
	<ul style="list-style-type: none"> <li>- Prototype City of Advanced Futuristic Industries (PAFI) Project, Chana District, Songkhla Province, with an investment value of approximately Baht 300 billion to invest in the industrial estate project, green power plant, commercial and tourism ports, warehouses, logistic centers, and smart city. All projects are in the process of negotiating to find foreign partners for joint investment with investors from South Korea, Japan, Germany, and Malaysia who are interested in investing in the projects.</li> </ul>	
	<ul style="list-style-type: none"> <li>• Continuous improvement of fuel and machinery quality to keep pace with changes in global energy trends towards green energy development.</li> </ul>	<ul style="list-style-type: none"> <li>• Make the total machine capacity of the power plant (Performance -P) in 2021 to be 92%, an increase from 88% in 2020.</li> </ul>
	<ul style="list-style-type: none"> <li>• Promote the “Zero Waste” policy</li> <li>• Establish a systematic approach for waste management in business processes according to the 3Rs (Reduce, Reuse, Recycle) principle.</li> <li>• Improve the production process of the cement plant to be able to use 30-40% of waste-based fuel instead of coal by purchasing waste-based fuel from local producers, who are responsible for sorting waste. This would help reduce the amount of community waste, create more jobs, reduce socio-economic inequality, and increase economic value.</li> </ul>	<ul style="list-style-type: none"> <li>• Use waste from one plant to use as a raw material or fuel in another plant of TPIPL.</li> <li>• Use waste as a waste fuel, instead of coal, for cement and power plants</li> </ul>
	<ul style="list-style-type: none"> <li>• Determine business policies by incorporating the concept of a Bio-Circular-Green Economy (BCG) into the core business process to reduce the use of natural resources from raw material procurement, manufacturing, selling, and transporting, operating, to waste management by using energy and natural resources that are limited to the maximum benefit.</li> </ul>	<ul style="list-style-type: none"> <li>• Using waste sorted as fuel.</li> <li>• Using the organic matter from the segregation as a soil conditioner at the Rayong Provincial Administrative Organization project and the sorting plant at Chanthaburi.</li> <li>• Using ashes from power plants to mix in concrete.</li> </ul>

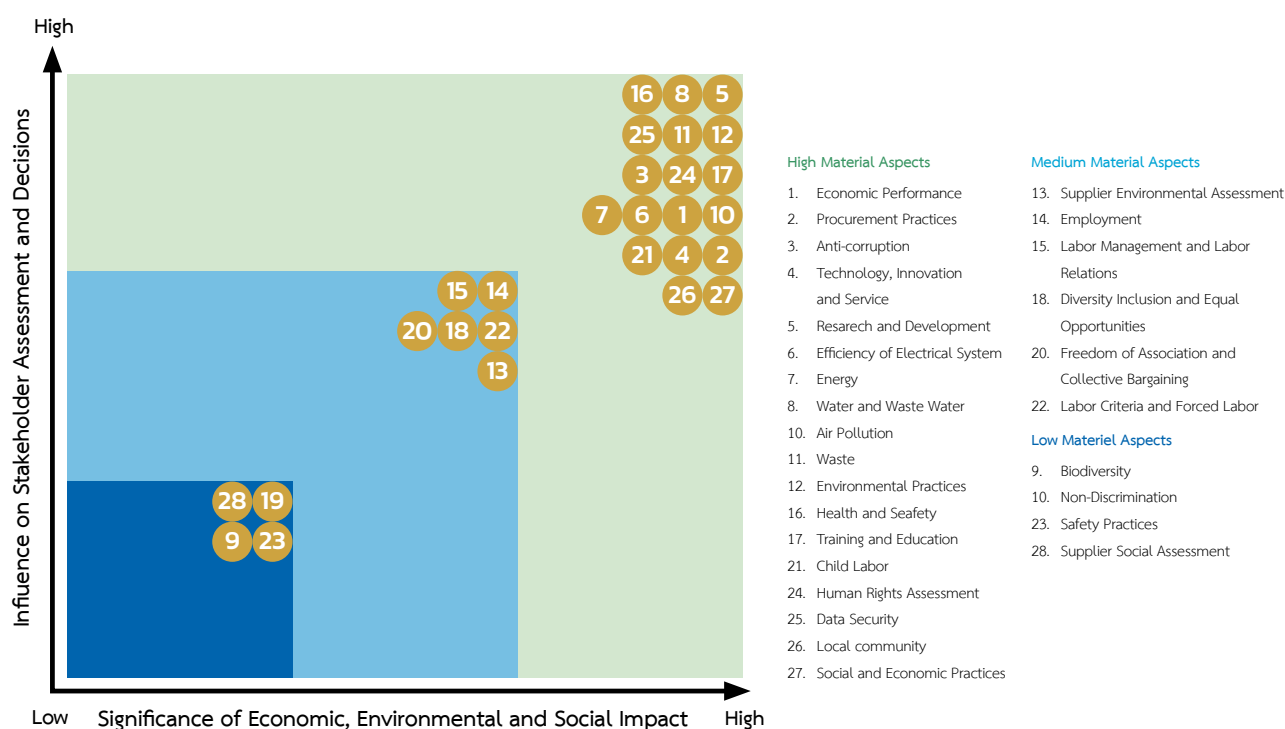


SDGs	Operating guidelines	Results
	<ul style="list-style-type: none"> <li>Allocating a budget of 1,485 million baht for research and technology development or project implementation for the purpose of mitigating risks or mitigating climate change impacts.</li> </ul>	<ol style="list-style-type: none"> <li>Expanding waste fuel production capacity to replace coal in Boiler B6, Boiler B8 and use in cement plants.</li> <li>Invest to construct and modify Boiler B6 of TG7 power plant to generate 100% renewable energy.</li> <li>Using old tires as a substitute for coal in Boiler B8 of TG8 Power Plant</li> <li>Development of a system for cleaning and briquetting of wire scraps from tires to create added value.</li> </ol>
	<ul style="list-style-type: none"> <li>Strict compliance with laws covering business, social and environmental laws.</li> <li>Set guidelines for Environmental Impact Assessment (EIA) and Environmental and Health Impact Assessment (EHIA).</li> <li>Prepare reports on environmental law compliance, Environmental Impact Assessment (EIA), and Environmental and Health Impact Assessment (EHIA) to government agencies and communities.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has carried out air quality measurements and environmental impact monitoring according to the EIA report, as well as hired environmental experts to undertake additional environmental impact assessments and monitoring projects further from the EIA standard.</li> </ul>

TPI Polene Group has a sustainability strategy in accordance with the sustainability policy and management framework that promotes the Group's vision in conjunction with the U.N.'s international principles and standards in accordance with the details mentioned above. The policy and targets are reviewed annually to cover new risks that may arise in the future.

In 2021, the top management of the Company has assessed sustainability issues in accordance with the Completeness principle and approved the action list for the Validation process in the sustainability report of the Company for the year 2021. The issues shall cover sustainability performance in economic, environmental, and social aspects according to the details of the assessment results of the significant issues and the scope of reporting.

The Company's highly substantive sustainability issues for 2021 include the following 18 issues:



Environmental aspect (5 issues)	Social aspect (7 issues)	Economic and Corporate Governance aspect (6 issues)
<ol style="list-style-type: none"> <li>Energy</li> <li>Water and wastewater</li> <li>Air pollution</li> <li>Waste</li> <li>Environmental practices</li> </ol>	<ol style="list-style-type: none"> <li>Occupational Health and Safety</li> <li>Training and education</li> <li>Child Labor</li> <li>Human Rights Assessment</li> <li>Data security</li> <li>Local community</li> <li>Social and economic Practices</li> </ol>	<ol style="list-style-type: none"> <li>Economic Performance</li> <li>Procurement Practices</li> <li>Anti-Corruption</li> <li>Technology and innovation to develop products and services</li> <li>Research and development</li> <li>Efficiency of electrical system</li> </ol>
Action	Action	Action
<ol style="list-style-type: none"> <li>Develop towards a low-carbon society by setting a Net Zero GHG Emission goal by using 100% waste-based fuel as a substitute of coal.</li> <li>Improve production efficiency to be highly efficient to save energy.</li> <li>Embrace circular economy, recycle waste from one plant as raw materials or fuel of another plant towards Zero Waste policy</li> <li>Develop Green Manufacturing technology and innovation</li> <li>Construct rainwater reservoirs to replace natural water sources, including recycling wastewater for reuse.</li> <li>Disposal of COVID-19 contamination waste</li> </ol>	<ol style="list-style-type: none"> <li>Comply with labor laws and labor relations</li> <li>Respect human rights principles and personal information of employees, partners, and contractors</li> <li>Create a good environment in workplace with appropriate safety and hygiene</li> <li>Training and skills development for personnel, providing opportunities for progress with indiscriminate.</li> <li>Award scholarships to children of employees</li> <li>Establish a Partner Code of Conduct</li> <li>Promoting and supporting communities and society</li> </ol>	<ol style="list-style-type: none"> <li>Comply with the related legal regulations</li> <li>Transparency with anti-corruption policy</li> <li>Technology and innovation to drive the organization with an emphasis on effective management policy</li> <li>Extend R&amp;D results to create value added to products</li> <li>Seek investments that create high return on investment</li> <li>Mitigate risk management as well as climate change risks</li> <li>Supply chain management</li> </ol>

## 3.2 Managing the Impact on Stakeholders in the Value Chain

Benefits and economic value of The company with stakeholders in 2021:

Economic Benefits	Economic Value (Million Baht)
<b>(A) Direct Economic Value Generated</b>	
Revenues	11,351.08
<b>(B) Direct Economic Value Distributed</b>	
Operating costs	6,270.40
Employee wages and benefits	58.21
Payments to providers of capital	2,784.34
Payments to government	115.61
Community investments	126.40
<b>Total</b>	<b>9,354.60</b>
<b>(C) Economic value retained (A-B)</b>	<b>1,996.48</b>

### 3.2.1 Value Chain

The Company has considered and given priority to business operations through management throughout the value chain by conducting business that is related to and connected with stakeholders in three chains as follows:

#### 1. Upstream Business

The Company initially started the business by raising funds through equity financing and financial institutions to construct power plants such as waste-based fuel power plants, heat waste power plants, mixed-fuel fired power plants, and coal fired power plants. The Company has also allocated a budget to develop technology and innovations of waste-based fuel production in conformity with waste classifications and characteristics of Thailand. The Company's machinery and equipment procurement processes shall generally focus on reliability, quality, and long-term collaborative supplier relationships. For waste purchasing and transportation processes, suitable suppliers will be selected without relying on one single supplier to ensure quality and sufficient raw materials. In addition, the Company has supported local organizations by disposing and converting community waste into fuel and energy in a proper and efficient way.

TPI Polene Group has continuously established good relationships with all stakeholders involved under a code of conduct on the basis of transparency, equality and fairness, child labor, human rights, environment, health and safety, and anti-corruption. This reduces risk in business operations and increases the value that the Company provides to stakeholders in the business value chain. In addition, waste procurement is considered "Green Purchasing" which helps to create local and community jobs which adds economic value and ensures the proper disposal of waste.

#### 2. Midstream Business

The Company use innovations and technologies to reduce production costs and to control risks, safety, occupational health, and the environment that may lead to loss of life, injury, illness due to the work of employees and contractors. This results in disruptions in business operations and may affect communities, society, and the environment. The Company has strictly implemented environmental activities in accordance with the announcements, and environmental policy regulations. As a result, the Company has received awards and certifications for its management system according to international standards as follows:

- ISO 9001:2015 is quality management systems (2021).
- ISO 14001:2015 specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance and environmental sustainability (2021).
- ISO 50001:2018 is standard to be used as a framework for an energy management system (2021).
- ISO 45001:2018 specifies requirements for an occupational health and safety (OH&S) management system (2021).
- “Green Industry Level 4” certification

### 3. Downstream Business

The Company prioritizes power transmission and distribution to two major customers, which are EGAT and TPI Polene, by continually delivering electricity to its customers to maintain customer satisfaction.

In conducting business upstream, midstream, and downstream, the Company is committed to value chain management policies and takes into consideration the impacts of the Company’s operations on the environment and the local community in their business decisions. The Company, therefore, operates strictly under the rules, regulations, environmental laws, and other relevant laws such as employing through labor and labor relations management, taking care of occupational health and safety, adding value to employees, giving priority to and conducting itself according to human rights with respect, as well as effective management in accordance with corporate governance principles and good corporate governance. This leads the Company to continuously grow and create prosperity and stability.

#### 3.2.2 Stakeholder analysis in the business value chain

The Company recognizes the importance of stakeholder participation based on the principles of collaborative value creation by analyzing internal and external stakeholders, which is related to the value chain of the business, and consists of eight groups: shareholders and investors, customer and distributors, supplier and contractors, creditors, governances, employees, community and society, and competitors.



The Company has established appropriate communication channels for each stakeholder group to listen to problems, operational impact, opinions, and suggestions which the Company will use to make policy and operational strategies to effectively meet the needs and expectations of stakeholders through the following operational guidelines.

**Table: The stakeholders' guidelines of TPI Polene Power Public Company Limited**

Stakeholders	Participation channels	Issues of interest to stakeholders	Plan implementation
1. Shareholders and Investors	<ul style="list-style-type: none"> <li>Annual General Meeting of Shareholders</li> <li>Giving shareholders the right to attend the shareholders' meeting equally, such as questioning and voting.</li> <li>Presentation of investment information through investor relations activities at least 7 times per year</li> <li>56-1 One Report</li> <li>Channels for communication through media including website, letter, email, phone or other at least 15 times per month</li> <li>Sustainability report</li> <li>Financial report 4 times per year</li> </ul>	<ul style="list-style-type: none"> <li>Good performance, share price and dividend at reasonable level</li> <li>Continuous business expansion</li> <li>Disclose key information of the Company in a timely basis, transparent, reliable way through channels that are easily accessible to shareholders.</li> <li>Give shareholders equal rights to attend annual shareholders' meetings.</li> <li>Organize activities to build and maintain good relationships with shareholders</li> <li>Conduct business with environmental considerations</li> <li>Corporate Governance Society or ESG</li> <li>Transparency</li> <li>Risk management system</li> </ul>	<ul style="list-style-type: none"> <li>Set goals, strategies for business growth, as well as seek channels and opportunities for expansion and investment development.</li> <li>Manage the efficiency of electricity generation and distribution to create long-term income stability.</li> <li>Set a policy to maintain liquidity and financial stability</li> <li>Prepare an annual sustainability development report.</li> <li>All shareholders are entitled and treated equally.</li> <li>Appropriate risk management.</li> <li>Manage the organization according to the company's vision and corporate governance principles with honesty, integrity, cautiousness, and without any conflicts of interest.</li> <li>Clarify details about the shareholders' meeting as well as all information related to matters that require shareholders to make decisions at the meeting in advance.</li> <li>Business Ethics</li> <li>Research and development to further business</li> <li>Emergency response manual and emergency drills (in case of fire)</li> </ul>
2. Employees	<ul style="list-style-type: none"> <li>Collect information from all channels, including complaints</li> <li>In-house communication through channels such as creating line groups for senior management to communicate with all employees. Line groups specific to related management. Documents to inform employees in each party, Documents closed by establishment banners</li> <li>Welfare Committee in the organization</li> <li>Sustainability Report/Annual Report</li> <li>Executives meet employees once a week.</li> <li>Provide clear in-house communication through various channels to notice to various agencies within the Company such as application line, website, comment box, e-mail, and Facebook</li> <li>Performance evaluation 4 times a year.</li> <li>Employee Engagement Survey. (Not yet implemented)</li> </ul>	<ul style="list-style-type: none"> <li>Salary and wages as well as welfare to be equivalent or comparable to those in the same industry.</li> <li>The organization has stability and progress in its work.</li> <li>Develop employees' potential for stability and progress in its work.</li> <li>The organization has a good image.</li> <li>Fair Evaluation System</li> <li>Safety and quality of life at work</li> <li>Allow expression of views and advice.</li> <li>Equal Practice and respect human rights</li> <li>Respect personal information</li> </ul>	<ul style="list-style-type: none"> <li>Establish a welfare committee made up of employer and employee representatives (elected by employees) as required by law to take care of issues related to employment conditions. with 100 percent of employees being cared for under the agreement with 100 percent of employees being cared for under the agreement.</li> <li>The Company has clear rules and regulations on employment to be strictly applied, which also include equal opportunities for employees to progress in their careers regardless of sex, age, generic information, race, religion, or educational background. The employment policies and conditions of work are based on job requirements.</li> <li>Fair Evaluation System</li> <li>Allow expression of views and advice.</li> <li>The Company offers salary and wages as well as welfare to be equivalent or comparable to those in the same industry.</li> <li>Occupational health and safety system</li> <li>Do not employ migrant workers, including contractors. and subcontractors</li> <li>Comply with human rights requirements and respect personal data.</li> <li>Provide opportunities and support further education of employees</li> </ul>

Stakeholders	Participation channels	Issues of interest to stakeholders	Plan implementation
			<ul style="list-style-type: none"> <li>• Provide training to increase potential and progress in work.</li> <li>• Savings cooperative.</li> <li>• Determine policies and practices related to principles of respect for human rights and protection of personal data.</li> </ul>
3. Supplier and Contractors	<ul style="list-style-type: none"> <li>• Complaints and communication channels such as websites, emails, phone calls, letters, etc.</li> <li>• Relation activities with partners to generate participation engagement at least once per year</li> <li>• Meet business partners at the partner office at least 2 times a year</li> <li>• Business negotiations, exchange of business information and opinions at least twice a year.</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent, fair, non- discriminatory, corruption-free purchasing system</li> <li>• Building relationships to grow together</li> <li>• Comply with the established agreements and do not exploit customers, pay on time.</li> <li>• Safe to work</li> <li>• Respect human rights</li> <li>• Respect personal information</li> <li>• Scheduled on time payment</li> <li>• Occupational health and safety system</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent and verifiable procurement system</li> <li>• Strictly comply with the terms of trade and compliance with the contract with the trade partner.</li> <li>• Take into account the mutual benefits of partners and business equity.</li> <li>• Employees in Affiliated group must not claim the benefits of supply, must be neutralized.</li> <li>• The Company does not do business with partners who are illegally behaving.</li> <li>• Support ESG knowledge to enhance partner operations to reduce erosion in operation and reputation</li> <li>• Establish measures to operate partners, including the use of digital and online technologies for safety during the COVID-19 pandemic crisis.</li> <li>• Respect human rights and respect personal information</li> <li>• Occupational health and safety system</li> </ul>
4. Customers and Distributors	<ul style="list-style-type: none"> <li>• Visiting and meeting with customers and distributors once a year</li> <li>• Business visit once a year</li> <li>• Perform activities with customers for 12 months a year.</li> <li>• Complaints and communication channels such as websites, emails, phone calls, letters, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Distribution of electricity at reasonable prices.</li> <li>• Produce and deliver stable and safe electricity with a continuous supply of electricity.</li> <li>• Generate electricity using technology that is environmentally friendly and does not affect the community and society.</li> <li>• Compliance with agreements and contracts, with integrity and ethics towards customers.</li> <li>• Maintain confidential information of customers.</li> <li>• Provide fast service and assistance.</li> <li>• Receive and respond to complaints.</li> </ul>	<ul style="list-style-type: none"> <li>• Produce and deliver stable and safe electricity</li> <li>• Electricity generation with quality and efficiency by using modern and environmentally friendly technology, which shall not affect the community and society.</li> <li>• Fair compliance with agreements and contracts to customers.</li> <li>• Distribution of electricity at the correct and reasonable price.</li> <li>• Management according to production standards and quality control systems such as ISO 9001, ISO 14001, ISO 50001, ISO 45001, "Green Industry Level 4" certification.</li> <li>• Regular improvements, developments, and maintenance of machines, including the development of modern and environmentally friendly technology.</li> <li>• Retain confidential information and strict compliance of customer with the code of conduct and ethics.</li> </ul>



Stakeholders	Participation channels	Issues of interest to stakeholders	Plan implementation
5. Creditor/ Bondholders Analyst / Credit Rating Institute / Insurance companies	<ul style="list-style-type: none"> <li>Submit a quarterly financial statement report.</li> <li>Annual Report</li> <li>Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>Good Corporate Governance</li> <li>Manage with transparency</li> <li>Carefully manage risk</li> <li>Full and on-time payment</li> <li>Good performance with potential for debt repayment.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct business with transparency, auditability Under good corporate governance</li> <li>Fully comply with the borrowing conditions</li> <li>Complete payment on time</li> <li>Provide complete financial information</li> </ul>
6. Governances	<ul style="list-style-type: none"> <li>Report on business performance and performance to government agencies for the period specified by the government, such as: <ul style="list-style-type: none"> <li>Report on the performance professional work safety officers every 3 months</li> <li>Report on compliance with the company's EIA measures every 6 months</li> </ul> </li> <li>Nine plant visits and studies in 2021 due to COVID-19 prevention measures,</li> <li>Monitor policy and regulations of government to be at least once a month</li> </ul>	<ul style="list-style-type: none"> <li>Acting in compliance with rules, regulations, and policies of relevant controlling persons.</li> <li>Social and environmental responsibility</li> <li>Living sustainably with communities in a shared economy</li> <li>Safety and environment management system</li> <li>Support and cooperation with government agencies</li> <li>Actions to mitigate climate change problems.</li> <li>Payment of taxes, related fees.</li> </ul>	<ul style="list-style-type: none"> <li>Use waste as an alternative fuel for coal in the cement production process to reduce greenhouse gas emissions according to the government's environmental policy</li> <li>Conduct business with transparency.</li> <li>Prepare a sustainability report.</li> <li>Social and environmental responsibility.</li> <li>Determine operating policies for sustainable coexistence with communities.</li> <li>Comply with rules, regulations, and laws, and cooperate in government projects.</li> </ul>
7. Community and Society	<ul style="list-style-type: none"> <li>Complaints and communication channels such as websites, emails, phone calls, letters, etc.</li> <li>Participate in community relations activities at least 28 times a month</li> <li>Community relations at least 2 times a month</li> </ul>	<ul style="list-style-type: none"> <li>Develop surrounding communities</li> <li>Preserving the community environment</li> <li>Create a task Strengthen the economy for the community</li> <li>Operation of the establishment to ensure environmental safety and livelihoods</li> <li>Support for community activities and ongoing participation</li> <li>Educational Assistance</li> <li>Concentrate on community complaints</li> </ul>	<ul style="list-style-type: none"> <li>Community Visit and create acceptance</li> <li>Support of community activities</li> <li>Educate and train employees at all levels as appropriate to make employees aware of the environment and communities</li> <li>Explore community needs and opinions</li> <li>Organize mobile medical units to serve the community continuously for better quality of life</li> <li>Prepare a replacement forest plantation and rehabilitation project after mining</li> <li>Promoting community traditions</li> <li>Develop communities to be employed the economy in the community has improved.</li> <li>Budget for community development, including education</li> <li>Create jobs, create careers and revenues for the people in the community</li> </ul>

Stakeholders	Participation channels	Issues of interest to stakeholders	Plan implementation
8. Competitors	<ul style="list-style-type: none"> <li>Collect information from all channels such as websites, mail, phones, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Under the fair competition circumstances.</li> <li>Maintain market shares</li> </ul>	<ul style="list-style-type: none"> <li>Conduct business within the rules of free and fair competition</li> <li>Do not slander to damage the reputation of commercial competitors.</li> <li>Do not infringe intellectual property and copyrighted work of the competitors.</li> <li>Do not violate identifiable information of competitors</li> <li>To perform in compliance with good practices for trading.</li> <li>Innovation and Technology Management</li> </ul>

### 3.3 Sustainability management in the environmental dimension

#### 3.3.1 Environmental policies and practices

##### To embrace a Bio-Circular-Green Economy (BCG) policy

TPI Polene Group is committed to playing a role in solving environmental problems under the Circular Economy principle to complete all stages of business operations from research planning, development, production processes, and products delivered to consumers to maximize the benefits of resource utilization, and renewable fuel consumption. This creates value added for the rest of the production process and waste management for reuse to maximize the benefits of resource utilization that lead to sustainable development in the supply chain, the sector, business sector, society, and the community. It is also linked to the Green Economy with the goal of reducing environmental impacts in terms of resource use, product production, as well as product disposal management to low-carbon production. The initial goal is to reduce greenhouse gas emissions by using renewable energy such as waste and waste heat recovery into the production system, as well as developing TPI Polene Group products by applying biotechnology to add value or apply them together with TPI Polene Group products to create added value and support the country's agricultural sector to become a bioeconomy. These three sections are jointly executed towards Sustainable Development, called Bio-Circular-Green Economy (BCG), an important strategy to drive the TPI Polene Group to grow with globally competitive innovation. It also contributes to the distribution of income to the community by preserving the environment with sustainable development.

### Research and development of green products

TPI Polene Group places an emphasis on all stages of business operations, from research and development planning, production processes, and to the delivery of our products to consumers to maximize the benefits of resource utilization with high efficiency production in both resource use and environmental protection with consumers as part of the green world, covering sales, transportation, and services.

### Strictly compliance with environmental regulations

The Company strictly complies with environmental laws with the preparation of the Environmental Impact Assessment (EIA) and Environmental Health Impact Assessment (EHIA) for the complete implementation of the Company's projects. Environmental measurements and assessments are carried out in accordance with the EIA and EHIA reports to government agencies and communities, as well as delivering environmental compliance reports to government agencies and communities completely on a timely basis.

## 3.3.2 Environmental Performance

### (1) Energy Management

The Company has set a target for internal energy use (station service used) to not exceed 12% of the energy produced.

TPI Polene Group has a policy to manage energy by adopting ISO 50001 as a management guideline. At the operational level, the Company has applied the Focused Improvement (FI) practice, which is one of the initial pillars of a Total Productive Maintenance (TPM) deployment, aimed to eliminate or reduce a specific loss. The practice helps find the points of energy loss, reduce costs, and make improvements by establishing a project team to achieve the objectives and goals of energy conservation. The Company, therefore, can manage energy efficiently in the electricity, lighting, and air conditioning systems by installing and maintaining related electrical control devices, thus continually reducing the use of electricity.

The Company can reduce energy consumption from the original amount of 39,113,780.01 Gigajoules in 2020 to 34,917,946.57 Gigajoules in 2021, a decrease of 4,195,833.44 Gigajoules or 10.73 percent as follows:

	Units	2019	2020	2021
Total Energy Consumption *	GJ	35,584,411.19	39,113,780.01	34,917,946.57

Remark: \* Power plants and waste fuel plants

In addition, the proportion of energy consumption compared to production in each plant or energy consumption per unit of production (Specific Energy Consumption: SEC) has decreased as follows:

Energy Consumption	Units	2019	2020	2021
Specific Energy Consumption: SEC - Waste fuel production	MJ/ton of waste fuel	34.63	59.31	31.82
Specific Energy Consumption: SEC - Power generation	MJ/kWh	15.46	15.62	14.21

Remark: The intensity of energy consumption can be determined as a proportion of the energy consumption compared to the output scale in each plant based on the energy consumption per unit of production. (Specific Energy Consumption: SEC)

## (2) Water Management

TPI Polene Group is well aware of the importance of internal water management. To ensure the best cost-effective use of water along with the communities, the Company has set targets to reduce water consumption as follows:

- Cut back on water consumption from the Pasak River by reusing surface water and used water.
- Control the amount of water from the Pa Sak River for use within the plants to not more than 12,000,000 cubic meters per year.
- Reuse the wastewater from the electricity production process for no less than 30,000 cubic meters per month.

TPI Polene Group has built a surface water reservoir to serve as a reserve water source for cement and power business. In addition, the Group has increased the efficiency of water use by reducing the amount of water used in the production processes and recycled the wastewater from the office through the Group's water treatment system without being discharged outside which can be summarized as follows:

(Unit: cubic meter)

Water Management	2019	2020	2021
Total water consumption	6,768,966	8,697,439	9,357,646
Total amount of recycled water used	262,555	449,245	355,304

Remark: \* Power plants and waste fuel plants

In the future, the Group plans to develop additional surface water reservoirs which are undergoing the excavation of a 1,000,000 cubic meter well to ensure sufficient water level for the Company's business operations and communities.

## (3) Emission

TPI Polene Group focuses on reducing greenhouse gas emissions in the production process. It was found that fuel-burning activities in cement production and coal-fired power plants account for a significant amount of greenhouse gas emissions leading to the current problem of climate change that is exacerbating humanity. TPI Polene Group has set a policy and vision of becoming an environmentally friendly cement producer, implementing the Net Zero GHG Emission policy by using waste fuel to replace coal in process 100% in the power business and 30 -40% in the cement production process. The details are as follows:

- The Company has participated in greenhouse gas reduction projects/activities of the Greenhouse Gas Management Organization (TGO) such as the Thailand Voluntary Emission Reduction Program (T-VER) under the waste management project, which has been registered for greenhouse gas emissions reductions (Credit period between May 2015 - April 2017) with an amount of 82,056 TonCO<sub>2</sub>, and Low Emission Support Scheme (LESS) which is an energy project assessed the Company's greenhouse gas emissions reductions of 280 tonCO<sub>2</sub> by 2020 and expected to reduce the emissions by approximately 258 tonCO<sub>2</sub> by 2021.
- By the end of 2021, the Company was certified by TGO of the amount of greenhouse gas reductions (carbon credits) of 82,056 tons of carbon dioxide equivalent from the project to use community waste as fuel. In the current, the Company holds an outstanding carbon credit of 59,526 ton of carbon dioxide equivalent, resulted from sold a portion of them. The Company is in the process of being registered with TGO (for the project to use waste as fuel) to certify the amount of greenhouse gases that have been reduced (carbon credits) for approximately 709,752 tons of carbon dioxide equivalent.
- The Company places an emphasis on continuous innovations in both production processes and products in projects such as using waste as fuel in waste heat recovery power plants and renewable energy power plants, and other energy- saving activities. As a result, the Company has participated in the contest and receive the Thailand Energy Awards and ASEAN Energy Awards hosted by the Ministry of Energy.

In 2021, the Company also allocated a budget of Baht 1,485 million for technology research and development or projects for the purpose of reducing risks or reducing the impacts of climate change.

In 2021, the Company's power plants can reduce greenhouse gas emissions from 3,789,673.17 tons in 2020 to 3,341,705.46 tons in 2021, representing a reduction of 447,967.71 tons of greenhouse gases or 11.82% from Year 2020 as follows:

**Table of the Power Plants Greenhouse Gas Emissions**

	Units	2019	2020	2021
Scope 1 (Direct)	TonCO <sub>2</sub> e	3,276,732.24	3,60,173.00	3,201,398.15
Scope 2 (Indirect)	TonCO <sub>2</sub> e	267.85	226.19	410.09
Scope 3	TonCO <sub>2</sub> e	174,646.89	181,273.98	139,897.22
<b>Total</b>	<b>TonCO<sub>2</sub>e</b>	<b>3,451,646.98</b>	<b>3,789,673.17</b>	<b>3,341,705.46</b>

**Remark:**

- (1) Set the year 2019 to be the base year since the installation and operation of all eight power plants for the production of power plants in this year.
- (2) Greenhouse gas emissions are calculated in accordance with the "Requirements for Calculation and Reporting of Corporate Carbon Footprint" by the Greenhouse Gas Management Organization no. 5, January 2021.
- (3) The greenhouses gases that are used in emissions calculations in Scope 1, 2 and 3 are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, and SF<sub>6</sub>

**The Table of the Company's Emission Levels**, which are lower than the standards under Thai law and the World Bank are as follows:

(Unit: mg/m<sup>3</sup> regular)

	Sulfur Dioxide (SO <sub>x</sub> )	Nitrogen Oxide (NO <sub>x</sub> )
TPI Polene Power Company Limited	30.0	120.0
World Bank Emissions Standards	< 230.0	< 510.0
Requirements under Thai Law	< 320.0	< 350.0

**The Concentration of Greenhouse Gas Emissions of Power Plants.**

The concentration of greenhouse gas emissions or the ratio of greenhouse gas emissions per unit of electricity produced are at the level of 1.5044 in 2021, a decrease compared to the level of 1.5146 in 2020.

Activities	Units	2019	2020	2021
Greenhouse gas GHG (1)*	TonCO <sub>2</sub> e	3,451,646.99	3,789,673.17	3,341,705.46
Non-greenhouse gas emissions (2)**	Ton	2,800	3,200	3,700
Power generation unit (3)	MWh	2,300,582.01	2,501,941.66	2,455,585.01
Ratio (1) / (3)	TonCO <sub>2</sub> /MWh	1.5003	1.5146	1.5044
Ratio (2) / (3)	Ton/MWh	0.001217	0.001279	0.001507

**Remark:** \* Greenhouse gas emissions are calculated in accordance with the “Requirements for Calculation and Reporting of Corporate Carbon Footprint” by the Greenhouse Gas Management Organization no. 5, January 2021.

\*\*Non-greenhouse gas emissions are SO<sub>2</sub> and NO<sub>2</sub>

TPI Polene Group set a target of net zero GHG emissions at cement plants and surrounding areas at Mauk Lek and Kaeng Khoi, Saraburi Province, with main activities mainly due to the use of waste as coal renewable fuels in 30-40% of cement production processes and 90-100% of electricity generation. In 2021, the Company received a total of 2.19 million tons of all types of waste to be used as fuel in the power plants of the Company and in the TPIPL’s cement plants, which could reduce carbon reductions from landfills by approximately 5.08 million tons of carbon dioxide equivalent. For this project, the Company is in the process of being registered with the TGO to ensure a decrease in greenhouse gas content.

**Table demonstrating reduction/(release) TPI Polene Group’s net greenhouse gases.**

(Unit: Million Tons Carbon Dioxide equivalent)

Related Source / Process	2021	2022	2023	2024	2025	2026
<b>1. TPIPL</b>						
1.1 Clinker Production <sup>(1)</sup>	(7.56)	(7.56)	(7.47)	(7.30)	(7.30)	(7.30)
1.2 Other activities <sup>(1)</sup>	(1.41)	(1.30)	(1.20)	(1.05)	(1.00)	(1.00)
1.3 Production of Hydraulic cement <sup>(2)</sup>	0.25	0.26	0.27	0.27	0.27	0.27
<b>Net - TPIPL</b>	<b>(8.72)</b>	<b>(8.60)</b>	<b>(8.40)</b>	<b>(8.08)</b>	<b>(8.03)</b>	<b>(8.03)</b>
<b>2. TPIPP</b>						
2.1 Reduce community waste landfill by producing it as waste fuel <sup>(3)</sup>	5.08	6.61	8.87	10.86	11.85	12.45
2.2 Production of waste fuel, steam, and electricity <sup>(1)</sup>	(3.34)	(3.20)	(2.90)	(2.7)	(2.7)	(2.7)
<b>Net - TPIPP</b>	<b>1.74</b>	<b>3.41</b>	<b>5.97</b>	<b>8.16</b>	<b>9.15</b>	<b>9.75</b>
<b>3. Waste landfill Reduction (million tons)</b>	<b>2.19</b>	<b>2.85</b>	<b>3.82</b>	<b>4.68</b>	<b>5.10</b>	<b>5.37</b>

**Remark:** (1) Greenhouse gas emissions are calculated in accordance with the “Requirements for Calculation and Reporting of Corporate Carbon Footprint” by the Greenhouse Gas Management Organization no. 5, January 2021.

(2) Calculate greenhouse gases using the T-VER-METH-OTH-03 method of the Greenhouse Gas Management Organization.

(3) Emission Factor, calculated based on the case of emissions to landfill waste, which generates 2.32 tons of greenhouse gas / 1 ton of landfill waste.



#### (4) Pollution and toxic waste management

The Company has the following goals for pollution and toxic waste management:

- Utilize industrial waste to be  $\geq 95\%$  of the amount of industrial waste generated each year.
- Manage the business in compliance with industry regulations and government legislation.
- Recovery, recycle, and reuse industrial waste as much as possible.

The Company has established a waste management policy in accordance with the “Zero Waste” guidelines and has continuously implemented the policy by controlling, supervising, and developing the process of waste management to ensure that the waste discharge rate from business operations is always below the permitted emissions threshold and complies with regulations of the Department of Industrial Works. In addition, the Company periodically controls the quality of the discharged waste to monitor and minimize environmental impact in accordance with the standard requirements. Thus, it can be said that the Company perfectly complies with emission and discharges standards prescribed by regulations.

The Company has systematically managed waste and waste in its business processes under the 3R (Reduce, Reuse, Recycle) principle and the BCG strategy. In 2021, the Company had no waste, or zero waste, because TPI Polene Group has a strategy to collect all industrial waste of TPI Polene Group for incineration at the cement kiln. Thus, there will be nothing left out from this process as bottom ash and all fly ash can be used as alternative feedstock at the Group’s cement plants.

### 3.4 Sustainability management in social dimensions

#### 3.4.1 Social policies and practices

TPI Polene recognizes the activities and business operations of TPI Polene Group as sensitive, so that they pay attention to the policies and practices of TPI Polene Group in accordance with the rules and legal regulations associated with social management. This includes respect for human rights throughout the value chain, including the fair treatment of labor, responsible production and service, and participation in community and social development by integrating social responsibility in all processes to connect the value chain within TPI Polene Group.

#### 3.4.2 Social Performance

##### Human Resources Management

Due to the rapid change of economic, social, environmental, and technological situations, the Company is well aware of the importance of the development of employee knowledge and capability development to support the corporate strategy and growth as well building business resilience to effectively respond to the changing business landscape. Therefore, the Company has determined to develop people strategies such as training, educating, and building skills for employees. And the Company aims to enhance employees’ knowledge and capability to work efficiently; to build the confidence and pride of employees; and developing the best relationship with employees.

The Company has set a target of training on average at least 18 hours per person per year. In 2021, the Company trained employees in both soft skills and hard skills through internal and external training, totaling 115 courses, with an average number of training hours of 28.04 hours per person, per year, which is higher than the target of 18 hours per person, per year. The details are as follows:

Employee Training Information	2019	2020	2021
Average number of training hours per person per year	45.67	44.89	28.04
Average number of training hours, classified by gender *			
Male	49.68	48.86	30.67
Female	6.36	6.16	3.52

**Remark:** \* Due to the suitability of the job characteristics in the industrial factory, the majority of personnel are male rather than female.

In addition, the Company assesses the performance of its employees three times a year in April, August, and December, in order for employees develop and improve their performance regularly.

The Company has not had a major labor dispute in the past three years, with the Company adhering to human rights principles ranging from employment to employee and personnel care, so that all employees and personnel will have a sense of family within the organization. In 2021 the Company's employee turnover rate was 3.15 %. At the end of 2021, the TPI Polene Group employed a total of 1,142 employees with a wide range of ages, genders, education levels, and operational characteristics, including 3 people with disabilities as follows:

Description	Number of employees (person)		
	Male	Female	Total
Employees	1,027	112	1,139
Disabled employees	3	-	3
<b>Total</b>	<b>1,030</b>	<b>112</b>	<b>1,142</b>

#### Child Labor

The Company has established a management policy that complies with Thai labor standards and labor laws by establishing the "TPI Polene Code of Conduct" involving labor practices, non-hiring child labor, and informal labor. The Company has also encouraged contractors, subcontractors, and all business partners of the Company to comply with requirements related to labor and child labor, stating that, "Partners must not act or encourage the hiring of underage workers as required by law", under the topic of labor and human rights of the Supplier Code of Conduct. The Company also does not give or encourage the use of child labor in working that is hazardous to health or in an environment that is harmful to health and safety or is prohibited by law, by requiring partners to sign an acknowledgment of the agreement with the Company.

In 2021, a total of 613 trade partners, representing 90.38 percent, have signed the agreement and the Company has not found any violations of child labor practices or working with occupational health and safety risks in the Company's hiring process and partner operations.

#### Safety, Occupational Health, and Working Environment

The Company is well aware that occupational health and safety is one of the keystones for the Company to operate business responsibly toward employees, business partners, contractors and stakeholders involved in the Company's local operations and all relevant operational areas.

The Company has established a policy and guidelines related to occupational health, safety, and a good working environment. This covers employees, workers, contractors and sub-contractors and includes communities, and stakeholders of the Company. The goal is to have a good quality of life and promote safety - no accidents

that cause serious injuries, death, or sickness from work - by operating under the Occupational Health, Safety and Environment Policy that complies with the ISO45001 Occupational Health and Safety Management System.

**Table of injuries and health problems related to work.**

Results	2019	2020	2021
Mortality rate	0	0	0
Injury Severity Rate	no records	no records	0
Injury Frequency Rate: IFR	0.614	0.996	0.354
Sickness rate from work-related disease	0	0	0
Working hours without accidents	1,695,744	1,085,568	1,624,536

In 2021, the Injury Frequency Rate (IFR) was 0.354, down from 0.996 in 2020. The Company is still able to control fatal accidents, avoid any serious work-related accidents, diseases, and other dangers. The number of hours worked without accidents was 1,624,536 hours, an increase compared to 1,085,568 hours in the previous year, resulting in a better performance in 2021.

#### **Human Rights Principles**

The Company is committed to humanity, promoting employment diversity, supporting the employment of individuals in the communities surrounding the Company's factories, and not discriminating against any individual.

In 2021, the Company had 29 new employment positions, of which 21 were new employees from the communities surrounding the Company's factories, representing 72.41% of the new recruitment rate. In 2022, the Company has a target of hiring from the communities surrounding the Company's factories of at least 50 percent of the new recruitment rate.

In 2021, although the Company had not yet established guidelines for the human rights impact assessment for the business operation and stakeholders in the supply chain, the Company prioritizes the importance of human rights by operating the Company's businesses with respect to the human rights principle. The Company has also provided training and workshops regarding human rights to employees about the Company's human rights policy to understand basic rights and raise awareness about the prevention of potential human rights violations. However, the Company currently is in the process of preparing an internal human rights impact assessment.

In addition, the Company also encourages suppliers to strictly comply with the requirements of the Supplier Code of Conduct in respect to the human rights principle through the acknowledgment of our agreements to ensure that the Company's businesses do not contribute to any act which results in a human rights violation. In 2021, 90.38 percent of the suppliers voluntarily signed the acknowledgment of the Supplier Code of Conduct with the Company.

In this regard, the Company has organized training for employees on human rights processes and policies on the topic of the Personal Data Protection Act Process and Guidelines and Personal Data Protection Act (Practice). The trained employees were accounted for 0.70% of the total employees. In 2021, the Company has not received any complaints about personal data breaches.

#### **Community relations and Corporate Social Responsibility**

Corporate social responsibility operations are divided into two main areas: community relations and corporate social responsibilities. In 2021, TPI Polene Group contributed construction materials products and healthcare products worth approximately Baht 153.51 million to communities and society. We function on both sides, community relations and corporate social responsibilities, in parallel, which can be summarized as follows:

## (1) Community Relations

The Company has manufacturing plants located in various community areas with a proactive policy for all production units to assist with hygiene support and reduce the impact of the COVID-19 pandemic, without ahead of the request from the community to, it supports surrounding communities and important societies as follows:

- (1) There are potential risks associated from the COVID-19 pandemic. In the event that its employees live in an infected community, the Company has established response measures such as sending prevention materials like hand sanitizer alcohol gel to people in surrounding communities, government agencies, and local hospitals in Saraburi Province.
- (2) Support volunteers in four villages around Muak Lek Subdistrict, Saraburi Province by providing medical equipment, such as digital data blood pressure monitors, sugar testing machines, and sugar test strips, amounting to 186,450 baht, to be used for public health services.
- (3) Support the Redeemer Foundation for the development project for people with disabilities, “Promoting occupations and employment of people with disabilities: concretely and sustainably” under Section 35 of the Act on Promotion and Development of the Quality of Life of Persons with Disabilities BE 2550 (2007), totaling 43 people. The projects include an outsourcing (hotline work for people with disabilities, video cutting, website maintenance and system development) project, a white carp farming project, a cow raising project, and a Yi Liang duck farming project, all of which were carried out in the form of cooperatives to provide people with disabilities with the knowledge and skills according to their needs, occupation, and income in a stable and sustainable way.





## (2) Corporate CSR

In 2021, TPI Polene Group joined forces to support society and communities as follows:

- **Social and community support activities during the COVID-19 pandemic**
  - Donated an amount of 40,000,000 Baht to the Siriraj Foundation to purchase “Hi- Flow Machines”, a tool that helps patients with severe pneumonia reduce usage of ventilator insertions and reduce the mortality rate in Siriraj Hospital and network hospitals. The Company also co-sponsored products such as Bioknox (a calcium and vitamin C supplement, which can sterilize coronavirus in half an hour), Microme knox Solution, mouthwash (which can sterilize coronavirus in half an hour), coronavirus sterilization alcohol gel, medical devices, dust and germs protective clothing, plastic foot coveralls, and medical gloves, to the medical team of Siriraj Hospital, as encouragement to them in overcoming the COVID-19 pandemic and to help patients to recover and return to normal lives.
  - TPI Polene Power Plc. and TPI Polene Plc. purchased one mobile X-ray vehicle worth 7,250,000 Baht for Chana Hospital, Songkhla Province. In the villages in the South, TPI Polene Power Plc. and TPI Polene Plc. donated 10 sets of nasal high flow oxygen therapy, 30 sets of Pure Air Protection Respiratory (PAPR), 6 sets of Teleconsult (Hi Care) machines, 30,000 kits of VTM transmission, four units of mobile X-ray machines with readable apparatus and convertible x-rays to digital, 20 BPBIO320 automatic blood pressure monitors, 10 ISOLATOR negative pressure cribs, and 5,000 boxes of medical gloves for six hospitals/reception centers in Songkhla Province, including Chana Hospital/Somdej Nathavee Hospital/Tepa Hospital/Sabayai Hospital/Sadao Hospital/ Padang Pesar Hospital. The Company would like to be a part of the response to COVID-19 pandemic, for the treatment of patients to recover and resume their normal lives.
  - Supported an Excellent Mobile Vehicle for Songkla Nakarin Hospital and the Faculty of Medicine Prince of Songkla University to improve a mobile service system which can provide preventive and healthcare



services – this includes not only COVID screening but also x-ray scanning, laboratory tests, and medical examinations. The benefits of the mobile service system include easy access, convenience, speed, and safety, all of which help reduce and prevent the spread of infections.



- Purchased 10 tons of farmers' pumpkins through the Southern Border Provinces Administration Center (SAO) to help farmers in areas where agricultural crops could not be normally distributed during the COVID-19 pandemic. Since many trading venues around Ban Pa Ngam, Chana District, Songkhla Province were immediately closed, severely disrupting supply chains, the Company, as one of the volunteers, purchased and distributed the pumpkins to kitchens in Bangkok to help victims of the COVID-19 pandemic.
- Donated healthcare products such as Bio Knox solution to eliminate coronavirus germs, mouthwash as it works for people who have contracted the disease and then will recover from the disease; Micromknox Solutions for spraying in residential areas to kill germs; alcohol; medical supplies; equipment and supplies to people in the area of Songkhla Province through "Anti-Covid Center" of the Songkhla Provincial Administrative Organization to help people who were in urgent need in the three sub- districts: Na Thap, Taling Chan and, Sakom, and Songkhla's Chana District Office.





- Donated a total of 4,000 blankets to students, teachers and local people affiliated with the Border Patrol Division 3, Chiang Mai Province; 1,000 blankets were given through the “Thammasat Arts” Meditation Office, to cold victims in Chiang Mai Province, and Northeastern Region, gave 3,000 blankets to students, teachers and people affiliated with the Border Patrol Division 2, Khon Kaen Province and to the Faculty of Medicine, Khon Kaen University to give 1,900 blankets to patients and cold victims. The Company would like to be a part of providing assistance and helping to alleviate the suffering of cold weather.



- Promote and improve the quality of life of Thai communities as follow:
  - Donated the amount of 1,000,000 Baht to Srithanya Hospital Foundation to help psychiatric patients and community networks that provide patients care services as well as rehabilitation activities for patients to live more independently and to fulfill their potential.
  - Supported the rooftop solar panels project on the patient building of Kaeng Khoi Hospital, Saraburi, in the amount of 2,000,000 Baht.
  - Supported a treatment project for producing tap water in Muak Lek Hospital, Saraburi, in the amount of 3,500,000 Baht.
- Provided TPI building materials products for building, renovating, and repairing various buildings, such as pouring the floor of the field hospital of Lerdsin Hospital with a capacity of 200 beds to treat patients who reported relatively severe symptoms; painted the kubors and the nearby areas around Ban Na Subdistrict Municipality Office of Chana district; repaired the public toilet of the Songkhla Provincial Land Office with Saraburi Provincial Red Cross Officers, establishing a house rebuild project for the underprivileged in the area of Muak Lek District, amounting to 4 persons; supported the painting of the interior painting work inside the 2nd floor of the 60th Anniversary Building of Wat Khao Sukim in Chanthaburi Province; co-developed Rai Thep Raksa Mind Development Center of Prayurawongsawas Worawihan Temple Mission Organization in Ratchaburi Province; co-constructed the 1st floor school building of the Masjid Islamic Study Center (Tadika) La Or Unity at Ban Na Samian, Chana district, Songkhla Province, and renovated and repaired school buildings, roofs, floors, and walkways for 20 schools across the country in order for students to have a better quality of life.

- Co-hosted with Kathin Unity Wat Sri Donmul in Chiang Mai Province, Wat Ban Hin Lub in Saraburi Province, to support and preserve Buddhism in other areas by supporting the Novice Rak Kaew Sasana Heir Project at Rama 9 Temple Kanchanaphisek, supporting the dissemination of dharma on the Dharma Inspired channel at Weruwan Temple in Kanchanaburi Province and supporting the dissemination of Buddhism on the World Buddhism Television Station of Thailand, Wat Yannawa (WBTV). The Company also jointly published a book, publications, CDs, and DVDs of the Buddhism propagation department, Rama 9 Kanchanaphisek Temple to enable children and youths having broad ideas for children as well as growing up to be a good human resource for society and the nation.



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

### 4.1 Operating Results and Financial Status

#### 4.1.1 Overview Performance of the Year 2021

##### Revenues

Sales revenue (comprising revenue from the sale of power and goods and revenue from adders) of the Company in 2019, 2020, and 2021 was reported at Baht 10,571.2 million, Baht 11,119.4 million and Baht 11,073.8 million, respectively. In 2021, sales revenue decreased by Baht 45.5 million or 0.4 percent compared to that of the year 2020.

Sales revenue from the energy and utility business in 2019, 2020, and 2021 were Baht 9,851.5 million, Baht 10,586.8 million, and Baht 10,557.4 million, respectively. In 2021, revenue from electricity sales was Baht 10,412.5 million (comprising sales to The Electricity Generating Authority of Thailand “EGAT” of Baht 8,773.7 million and sales to TPIPL of Baht 1,638.8 million). Whereas in 2020, revenue from electricity sales was Baht 10,547.2 million (comprising sales to EGAT of Baht 8,564.4 million and sales to TPIPL of Baht 1,982.8 million). The decrease in revenue from electricity sales mainly resulted from the lower revenue from electricity sold to TPIPL as the coal price, which is the cost of generating electricity, has been increasing during the second half of the year 2021. However, revenue from electricity sold to EGAT increased thanks to the improvement in electricity generation efficiency and the boiler installation (B13-B14-B15).

Sales revenue from petrol and natural gas (NGV) service business in 2019, 2020, and 2021 were Baht 719.7 million, Baht 532.6 million, and Baht 516.5 million, respectively. The decrease in revenue from the petrol and natural gas (NGV) service business was mainly due to the decline in fuel and natural gas sales while fuel prices rose, and the selling price of natural gas remained stable.

##### Other Income

In 2019, 2020 and 2021, the Company reported other income equal to Baht 164.3 million, Baht 281.8 million, and Baht 240.6 million. In 2021, the Company’s other income decreased by Baht 41.2 million because the Company reported a compensation income of Baht 0.03 million, a decrease of Baht 99.56 million from Baht 99.59 million in 2020 and in 2021, the Company’s rental income for machinery was Baht 183.2 million, an increase of Baht 41.8 million from Baht 141.4 million in 2020. In addition, the Company had other income equal to Baht 57.4 million, an increase of Baht 16.6 million from Baht 40.8 million in 2020.

##### Cost of Sales of Power and Goods

In 2019, 2020 and 2021, the Company’s cost of sales was equal to Baht 5,529.7 million, Baht 6,027.7 million, and Baht 6,186.7 million, respectively. In 2021, the cost of sales increased by Baht 159.1 million or 2.6 percent compared to that of the year 2020 due to the fact that the price of coal, which is the fuel cost of generating electricity sold to TPIPL, has been increasing.

##### Gross Profit

In 2019, 2020, and 2021, the Company reported gross profit of Baht 5,041.5 million, Baht 5,091.7 million, and Baht 4,887.1 million, respectively. In 2021, gross profit decreased by Baht 204.6 million or 4.0%, mainly due to the higher cost of sales. The Company’s gross profit margin in 2019, 2020, and 2021 accounted for 47.7%, 45.8%, and 44.1%, respectively.

##### Distribution Costs

In 2019, 2020, and 2021, the Company reported distribution costs of Baht 75.7 million, Baht 66.4 million, and Baht 65.4 million, respectively. In 2021, the cost of distribution decreased by Baht 1.0 million or 1.5%, compared to that of the year 2020.

In 2019, 2020, and 2021, the cost of distribution as a percentage of sales revenue was equal to 0.7%, 0.6% and 0.6%, respectively. The cost of distribution as a percentage of sales revenue in 2021 is at the same level as that of the year 2020.

#### **Administrative Expenses**

In 2019, 2020, and 2021, the Company reported administrative expenses of Baht 432.2 million, Baht 432.7 million, and Baht 581.8 million, respectively. In 2021, administrative expenses increased by Baht 149.1 million or 34.5% compared to the year 2020 due to higher advertising expenses and donations to support various projects during the COVID-19 pandemic.

In 2019, 2020, and 2021, administrative expenses as a percentage of sales revenue, were equal to 4.1%, 3.9% and 5.3%, respectively. Administrative expenses as a percentage of sales revenue in 2021 was higher than 2020 due to higher administrative expenses.

#### **Finance Costs**

In 2019, 2020, and 2021, the Company reported finance costs of Baht 159.5 million, Baht 285.2 million, and Baht 207.8 million, respectively. For the year 2020, the finance costs increased by Baht 125.7 million or 78.8% compared to the year 2019, mainly due to the Company issued debentures in August 2020 in the amount of Baht 4,000 million to purchase boilers, waste fuel sorting and processing machines, waste fuel storage rooms, conveyor system and other related machines to improve the efficiency of power plants, expand waste fuel production capacity, use as working capital for the Company's operations, and for the purchase of land in the Special Economic Area Development Project in Songkhla Province to support the Company's future investment in project development. In 2021, the Company's finance costs decreased by Baht 77.4 million or 27.1% compared to the year 2020 due to interest expenses during construction being recorded as costs of construction. In 2021, the Company issued and offered debentures in June and November, amounting to Baht 3,000 million and Baht 4,523.6 million, respectively, totaling Baht 7,523.6 million to repay the mature bonds and support investment in solid waste disposal projects of Songkhla Provincial Administrative Organization and the Waste Disposal System Project, Phase 2 of Nakhon Ratchasima Municipality that the Company won in bidding in early 2021.

#### **Tax Expenses**

In 2019, 2020, and 2021, the Company had income tax expenses of Baht 102.0 million, Baht 122.2 million, and Baht 110.1 million, respectively. In 2021, income tax expenses decreased by Baht 12.0 million or 9.9% compared to income tax expenses of the year 2020.

#### **Profit for the Year**

In 2019, 2020, and 2021, the Company and its subsidiaries reported normal operating profits (excluding gain (loss) from foreign exchange and income tax) equal to Baht 4,617.2 million, Baht 4,632.0 million, and Baht 4,316.5 million, respectively. In 2021, normal operating profits (excluding gain (loss) from foreign exchange and income tax) decreased by Baht 315.5 million or 6.8% compared to that of the year 2020.

In 2019, 2020 and 2021, the Company and its subsidiaries reported net profit of Baht 4,606.8 million, Baht 4,505.8 million, Baht 4,191.3 million, respectively. In 2021, net profit decreased by Baht 314.5 million or 7.0% compared to that of the year 2020 due to higher cost of sales, higher administrative expenses, lower other income (compensations) and higher net exchange loss.

The Company's net profit margin for the year 2019, 2020 and 2021 accounted for 42.2%, 39.4% and 36.9%, respectively. In 2021, the net profit margin declined compared to that of the year 2020 due to the reasons mentioned above.



## Segmentation Performance of the Company

### 1. Energy and Utilities Business Sector

Revenues from energy and utilities business in 2019, 2020 and 2021 were reported at Baht 9,851.5 million, Baht 10,586.8 million and Baht 10,557.4 million, respectively. The decrease in revenue from electricity sales mainly resulted from the lower sales volume of electricity sold to TPIPL. However, the price of electricity sold increased on average due to the increased proportion of electricity sold to EGAT and an adder. This resulted from the improvement in electricity generation efficiency and the boiler installation completion (B13-B14-B15). In addition, the Company has been receiving revenues from selling waste fuel to TPIPL.

Profit (loss) before finance costs, tax expense, and depreciation (EBITDA) from energy and utility business in 2019, 2020, and 2021 were Baht 5,562.8 million, Baht 5,695.3 million, and Baht 5,427.4 million, respectively. The decrease in EBITDA is due to the higher cost of sales as the coal price, which is the cost of generating electricity sold to TPIPL, has been increasing.

### 2. Petrol and Gas Service Station Business Sector

The revenues of the Company's petrol and gas service station business in 2019, 2020, and 2021 were Baht 719.7 million, Baht 532.6 million, and Baht 516.5 million, respectively. The decrease in the revenue of the petrol and gas service station business was mainly due to the decrease in the sales volume of fuel and natural gas, while fuel prices rose, and natural gas sales prices remained stable.

## 4.1.2 Financial Status and Financial Ratio of the Year 2021

### Assets

As of December 31, 2019, 2020, and 2021, the Company had total assets of Baht 37,852.6 million, Baht 43,775.2 million, and Baht 48,485.4 million, respectively. The increase in total assets is due to the Company's investment in land, buildings, and equipment, as well as the increase in other current financial assets inventories, and trade accounts receivable.

As of December 31, 2019, 2020, and 2021, total current assets were Baht 6,667.1 million, Baht 7,158.1 million, and Baht 9,590.6 million, respectively. Trade accounts receivable represented 32.2%, 33.9%, and 26.7% of total current assets, which equated to an average collection period of 63 days, 74 days, and 81 days. In addition, inventory accounted for 15.8% of 17.4% and 16.6% of total current assets, equating to average inventory turnover periods of 53 days, 69 days, and 83 days respectively.

As of December 31, 2019, 2020, and 2021, the property, plant, and equipment of the Company were Baht 30,770.4 million, Baht 35,605.6 million, and Baht 37,808.8 million, respectively. The increase in property, plant, and equipment in 2021 was mainly due to additional investments in land to support the Company's future project development.

### Liabilities

As of December 31, 2019, 2020, and 2021, the Company reported total liabilities of Baht 10,742.2 million, Baht 14,847.0 million, and Baht 17,633.5 million, respectively. The debt liabilities increased because in 2020, the Company issued and offered additional debentures to improve power plant efficiency, expand waste fuel production capacity, to use as working capital for the Company's operations, and to purchase land for the special economic zone development project in Songkhla Province which is to support the development of future projects of the Company. In addition, in 2021, the Company issued and offered debentures in June and November in the amount of Baht 3,000 million and Baht 4,523.6 million, respectively, totaling Baht 7,523.6 million, to refinance the matured debentures and for the solid waste disposal project of Songkhla Provincial Administrative Organization and the waste disposal system project, Phase 2 of Nakhon Ratchasima Municipality, which the Company won in bidding in 2021.

The proportion of other payables (payable for machinery) accounted for 67.9%, 13.7% and 6.1% of current liabilities, respectively. In 2020 and 2021, the proportion of other payables was greatly reduced because the Company returned the insurance deposit and paid payables back for the installed imported machinery from overseas.

The Company reported trade accounts payable of Baht 439.8 million, Baht 432.5 million, and Baht 430.4 million as of December 31, 2019, 2020, and 2021, representing an average repayment period of 27 days, 26 days, and 25 days, respectively. During the COVID-19 pandemic, the Company has continued to pay payable on time to help business partners reduce their financial burdens.

#### **Shareholders' Equity**

As of December 31, 2019, 2020, and 2021, shareholders' equity was Baht 27,110.3million, Baht 28,928.1 million, and Baht 30,851.8 million, respectively. Value of shareholders' equity increased as the Company's net profit from operations increased during the period.

#### **Capital Structure**

As of December 31, 2019, 2020 and 2021, the Company has debt to equity ratios of 0.40, 0.51 and 0.57 whereas the interest-bearing debt to equity ratio is 0.30, 0.45 and 0.52, respectively which increased accordingly because in 2020, the Company issued and offered additional debentures in the amount of Baht 4,000 million. In addition, in 2021, the Company issued and offered debentures in June and November in the amount of Baht 3,000 million and Baht 4,523.6 million, respectively, totaling Baht 7,523.6 million to refinance the matured debentures and for the solid waste disposal project of Songkhla Provincial Administrative Organization and the waste disposal system project, Phase 2 of Nakhon Ratchasima Municipality that the Company won in bidding in 2021.

#### **Financial Liquidity and Sufficiency of Funds**

In 2019, 2020 and 2021, the Company reported net cash flows from operations of Baht 4,566.9 million, Baht 4,820.4 million and Baht 4,159.1 million, respectively.

The Company's net cash flows from investing activities in 2019, 2020, and 2021 were Baht (5,781.6) million, Baht (4,885.8) million and Baht (5,495.9) million, respectively. In 2021, net cash flows from investing activities increased due to the Company's increased investment in debt securities for managing financial liquidity by investing in high liquidity short-term debt instruments.

The Company reported net cash flow from financing activities in 2019, 2020, and 2021 of Baht 1,348.4 million, Baht 1,166.0 million and Baht 475.1 million, respectively. This resulted in net cash flow after financial activities in 2019, 2020 and 2021 of Baht 133.7 million, Baht 1,100.6 million, and Baht (861.6) million, respectively.

Current ratios in 2019, 2020, and 2021 were 2.86, 1.24, and 1.90, whereas the quick current ratio was 2.35, 0.99, and 1.48, respectively. In addition, the interest coverage ratio in 2019, 2020, and 2021 were 41.84, 15.54, and 10.31, respectively, which was a decrease, but the ratio still remains at a high level and represented high liquidity. The debt service coverage ratio is n.a., 1.35 and 1.34, respectively, while interest bearing debt to equity ratios were 0.30, 0.45 and 0.52 respectively. Net interest bearing debt ratio (net after deducting cash, cash equivalents and other current financial assets in excess of Baht 1,500 million according to terms and conditions for the MTN of the year 2021) to shareholders' equity equaled to 0.23, 0.36 and 0.39, respectively.

The Company's cash flow, liquidity ratio, quick turnover ratio, and debt service coverage ratio indicate that the TPI Polene Group has high and sufficient liquidity for operations, paying off debt, and complying with important loan terms. The Company shall have the ability to find additional sources of funding with a revolving credit line backed by a financial institution that is sufficient to operate the business.



### Financial Policy on Maintaining Financial Ratios

The Company and its subsidiaries had sufficient funds for various project investments while the sources of funds were from cash flow from business operations, the issuance and sale offering of debentures, bill of exchange, and loans from financial institutions from both domestic and international institutions in the form of revolving credit for business operations

Financial debts of the Company and its subsidiaries as of December 31, 2021, are summarized as follows:

1. Debt debentures of the Company and its subsidiaries were Baht 8,000 million, issued under the medium-term note program B.E. 2018 of TPI Polene Power under the condition that it must maintain Debt to Equity Ratio (Debt means interest-bearing debt) at the end of each quarter or at year-end not greater than 1.75:1
2. Debt debentures of the Company and its subsidiaries were Baht 7,523.60 million, issued under the medium-term note program B.E. 2021 of TPI Polene Power with the condition that it has to maintain Debts to Equity Ratio at (debt means interest-bearing debt, less cash, deposits and short-term investments in excess of Baht 1,500 million, and less lease liabilities and financial debt for investment in power plants with official contracts) at the end of the quarterly accounting period or the end of the fiscal year over the life of the debentures at a ratio not exceeding 3:1.

As of December 31, 2021, the Company and its subsidiaries' Interest-Bearing Debts to Equity Ratio equated to 0.52:1, which was not higher than 1.75:1, as per the terms and conditions stipulated in the debentures agreements under Clause 1, and equated to 0.39:1, which was also not higher than 3:1, as per the terms and conditions stipulated in the debentures agreements under Clause 2.

### Policy and Term of Trade Credit

TPI Polene Group has a credit management policy, which defines the criteria and procedures for providing credit terms in each business unit that is competitive and comparable to its competitors. The average earning and payout period as a whole is consistent and has no impact on financial liquidity and takes into account the costs and financial risks that may be caused by exchange rates.

## 4.2 Factors That May Impact Future Operations

### 4.2.1 Factors on Environmental and Social Trends and Impacts

TPI Polene Group focuses on the impact of climate change, which will be an important factor in future business operations, thus driving the use of waste as a renewable fuel for coal in the cement production process to reduce greenhouse gas emissions, as well as aiming to develop low-carbon products along with environmentally friendly business operations. More details are shown in the Company's Sustainability Report.

<http://www.tpipolenepower.co.th/index.php/en/en-investment/ar/sustainability>

### 4.2.2 Financial Support to Affiliated Companies

The Company will consider providing financial support to its subsidiary companies, in case of the need and benefit of the Company and the Group of Companies in the long term. The Company believes that such policies and actions will strengthen the TPI Polene Group's structure. On February 26, 2021, the Company's Board of Directors' meeting, The Board passed a resolution to approve the extension period to receive and/or provide financial assistance between the Company and TPIPL for another one year (from March 1, 2021 to February 28, 2022) in the amount of Baht 1,200 million (in case the Company receives financial assistance) and Baht 700 million (in case the Company provides financial assistance), under revolving short-term loans in the form of promissory notes. The above transaction is classified as a connected transaction of financial assistance.

As of December 31, 2021, the Company's financial support transactions can be summarized as follows :

Borrower	Loan Limit (Million Baht)	Outstanding loan amount
TPI Polene Plc.	700	-

## 4.3 Key Financial Information

The auditor for the consolidated and separate financial statements, which were audited for the year ended December 31, 2021, is Mr. Bunyarit Thanormcharoen, registration number 7900 from KPMG Phoomchai Audit Ltd.

The auditor audited the consolidated and separate financial statements of TPI Polene Power Public Company Limited and its subsidiaries and of TPI Polene Power Public Company Limited, which consists of the consolidated and separate statements of financial position as of December 31, 2021, the consolidated and separate statements of comprehensive income, changes in equity, and cash flow for the same year ended and notes which contain a summary of significant accounting policies and other matters.

The auditor is of the opinion that the above financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

### 4.3.1 Statement of Financial Position

(Unit : Baht million)	2019	%	2020	%	2021	%
<b>Current assets</b>						
Cash and cash equivalents	689.56	1.82	1,790.58	4.09	929.34	1.92
Trade accounts receivable	2,148.28	5.68	2,425.69	5.54	2,561.00	5.28
Other receivables	54.59	0.14	148.50	0.34	229.66	0.47
Short-term loan to related party	-	-	-	-	230.62	0.48
Receivables and advances to related parties	61.00	0.16	40.14	0.09	56.28	0.12
Inventories	1,052.51	2.78	1,248.86	2.85	1,590.80	3.28
Other current financial assets	2,650.70	7.00	1,496.24	3.42	3,980.58	8.21
Other current assets	10.47	0.03	8.06	0.02	12.32	0.03
<b>Total current assets</b>	<b>6,667.09</b>	<b>17.61</b>	<b>7,158.07</b>	<b>16.35</b>	<b>9,590.60</b>	<b>19.78</b>
<b>Non - Current assets</b>						
Other non-current financial assets	186.53	0.49	188.05	0.43	185.55	0.38
Investment in subsidiaries	30,770.44	81.29	35,605.61	81.34	37,808.80	77.98
Property, plant, and equipment	-	-	650.62	1.49	620.59	1.28
Right-of-use assets	116.23	0.31	58.59	0.13	131.81	0.27
Advances for machine and equipment	91.01	0.24	82.26	0.19	94.01	0.19
Deferred tax assets	21.26	0.06	31.95	0.07	53.99	0.11
<b>Other non-current assets</b>	<b>31,185.49</b>	<b>82.39</b>	<b>36,617.09</b>	<b>83.65</b>	<b>38,894.75</b>	<b>80.22</b>
<b>Total assets</b>	<b>37,852.57</b>	<b>100.00</b>	<b>43,775.15</b>	<b>100.00</b>	<b>48,485.35</b>	<b>100.00</b>

(Unit : Baht million)	2019	%	2020	%	2021	%
<b>Current liabilities</b>						
Short-term loans from financial institutions	-	-	239.63	0.55	-	-
Trade accounts payable	439.83	1.16	432.52	0.99	430.40	0.89
Other payables	1,583.96	4.18	791.22	1.81	306.88	0.63
Payables and advances from related parties	93.99	0.25	66.23	0.15	47.60	0.10
Current portion of lease liabilities	-	-	14.85	0.03	20.24	0.04
Current portion of debentures	-	-	4,000.00	9.14	4,000.00	8.25
Interest payable	34.86	0.09	53.24	0.12	66.13	0.14
Income tax payable	35.56	0.09	47.47	0.11	43.96	0.09
Other current liabilities	146.08	0.39	139.06	0.32	143.25	0.30
<b>Total current liabilities</b>	<b>2,334.27</b>	<b>6.17</b>	<b>5,784.19</b>	<b>13.21</b>	<b>5,058.46</b>	<b>10.43</b>
<b>Non-current liabilities</b>						
Lease liabilities	-	-	645.18	1.47	630.20	1.30
Debentures	8,000.00	21.13	8,000.00	18.28	11,523.60	23.77
Non-current provisions for employee benefits	151.12	0.40	152.71	0.35	151.66	0.31
Decommissioning costs	256.86	0.68	264.93	0.61	269.61	0.56
<b>Total non-current liabilities</b>	<b>8,407.97</b>	<b>22.21</b>	<b>9,062.82</b>	<b>20.70</b>	<b>12,575.07</b>	<b>25.94</b>
<b>Total liabilities</b>	<b>10,742.24</b>	<b>28.38</b>	<b>14,847.01</b>	<b>33.92</b>	<b>17,633.53</b>	<b>36.37</b>
<b>Equity</b>						
Authorized share capital	8,400.00	22.19	8,400.00	19.19	8,400.00	17.32
Issued and paid share capital	8,400.00	22.19	8,400.00	19.19	8,400.00	17.32
Shares premium on ordinary shares	14,580.89	38.52	14,580.89	33.31	14,580.89	30.07
Retained earnings						
Appropriated - Legal reserve	763.64	2.02	840.00	1.92	840.00	1.73
Unappropriated	3,365.96	8.89	5,107.42	11.67	7,030.75	14.50
Other components of equity	(0.16)	(0.00)	(0.18)	(0.00)	0.17	0.00
Non-controlling interests	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total shareholders' equity</b>	<b>27,110.33</b>	<b>71.62</b>	<b>28,928.14</b>	<b>66.08</b>	<b>30,851.82</b>	<b>63.63</b>
<b>Total liabilities and shareholders' equity</b>	<b>37,852.57</b>	<b>100.00</b>	<b>43,775.15</b>	<b>100.00</b>	<b>48,485.35</b>	<b>100.00</b>

### 4.3.2 Statement of Comprehensive Income

(Unit : Baht million)	2019	%	2020	%	2021	%
<b>Revenues</b>						
Revenue from sale of power and goods	6,338.04	59.96	6,333.23	56.96	6,104.73	55.13
Revenue from adders	4,233.16	40.04	4,786.12	43.04	4,960.11	44.87
	<b>10,571.20</b>	<b>100.00</b>	<b>11,119.35</b>	<b>100.00</b>	<b>11,073.83</b>	<b>100.00</b>
Cost of sales of power and goods	(5,529.73)	(52.31)	(6,027.66)	(54.21)	(6,186.73)	(55.87)
<b>Gross Profit</b>	<b>5,041.47</b>	<b>47.69</b>	<b>5,091.69</b>	<b>45.79</b>	<b>4,887.10</b>	<b>44.13</b>
Net foreign exchange gain	91.64	0.87	-	-	-	-
Investment income	78.69	0.74	42.86	0.39	43.85	0.40
Other income	164.29	1.55	281.79	2.53	240.58	2.17
<b>Total income</b>	<b>5,376.10</b>	<b>50.86</b>	<b>5,416.35</b>	<b>48.71</b>	<b>5,171.53</b>	<b>46.70</b>
Distribution costs	(75.68)	(0.72)	(66.44)	(0.60)	(65.44)	(0.59)
Administrative expenses	(432.15)	(4.09)	(432.73)	(3.89)	(581.81)	(5.25)
Net foreign exchange loss	-	-	(3.99)	(0.04)	(15.03)	(0.14)
<b>Total expenses</b>	<b>(507.83)</b>	<b>(4.80)</b>	<b>(503.16)</b>	<b>(4.53)</b>	<b>(662.28)</b>	<b>(5.98)</b>
<b>Profit from operations</b>	<b>4,868.27</b>	<b>46.05</b>	<b>4,913.19</b>	<b>44.19</b>	<b>4,509.25</b>	<b>40.72</b>
Financial costs	(159.48)	(1.51)	(285.18)	(2.56)	(207.79)	(1.88)
Share of profit (loss) of subsidiaries	-	-	-	-	-	-
<b>Profit before income tax expense</b>	<b>4,708.79</b>	<b>44.54</b>	<b>4,628.01</b>	<b>41.62</b>	<b>4,301.46</b>	<b>38.84</b>
Tax expense	(101.98)	(0.96)	(122.18)	(1.10)	(110.13)	(0.99)
<b>Profit for the year</b>	<b>4,606.81</b>	<b>43.58</b>	<b>4,505.83</b>	<b>40.52</b>	<b>4,191.33</b>	<b>37.85</b>
<b>Items that will be reclassified to profit or loss</b>						
Exchange differences on translating foreign operations	(0.25)	(0.00)	(0.02)	(0.00)	0.35	0.00
Share of other comprehensive income (expense) of subsidiaries	-	-	-	-	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>	<b>(0.25)</b>	<b>(0.00)</b>	<b>(0.02)</b>	<b>(0.00)</b>	<b>0.35</b>	<b>0.00</b>
<b>Items that will not be reclassified to profit or loss</b>						
Gains (losses) on remeasurements of defined benefit plans	(30.76)	(0.29)	-	-	-	-
Income tax relating to items that will not be reclassified	6.15	0.06	-	-	-	-
<b>Total items that will not be reclassified to profit or loss</b>	<b>(24.61)</b>	<b>(0.23)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income (expense) for the year, net of tax	(24.86)	(0.24)	(0.02)	(0.00)	0.35	0.00
<b>Total comprehensive income for the year</b>	<b>4,581.95</b>	<b>43.34</b>	<b>4,505.81</b>	<b>40.52</b>	<b>4,191.68</b>	<b>37.85</b>

(Unit : Baht million)	2019	%	2020	%	2021	%
Profit attributable to:						
Owners of the parent	4,606.81	43.58	4,505.82	40.52	4,191.33	37.85
Non-controlling interests	-	-	0.01	0.00	-	-
Profit for the year	4,606.81	43.58	4,505.83	40.52	4,191.33	37.85
Profit attributable to:						
Owners of the parent	4,581.95	43.34	4,505.81	40.52	4,191.68	37.85
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income (expense) for the year	4,581.95	43.34	4,505.81	40.52	4,191.68	37.85
Basic earnings per share (in Baht)	0.55		0.54		0.50	

### 4.3.3 Revenue from External Customers

(Unit : Baht million)	2019	%	2020	%	2021	%
Energy & Utilities	9,851.49	93.19	10,586.78	95.21	10,557.35	95.34
Petrol and gas stations	719.71	6.81	532.57	4.79	516.48	4.66
Total	10,571.20	100.00	11,119.35	100.00	11,073.83	100.00

### 4.3.4 Statement of Cash Flow

(Unit : Baht million)	2019	2020	2021
Net cash from operating activities	4,566.89	4,820.44	4,159.10
Net cash used in investing activities	(5,781.58)	(4,885.83)	(5,495.87)
Net cash from financing activities	1,348.43	1,165.99	475.13
Net increase (decrease) in cash and cash equivalents before effect of exchange rates	133.74	1,100.60	(861.24)
Effect of exchange rate changes on balances held in foreign currencies	(0.26)	(0.05)	0.40
Cash and cash equivalents from changes in investments in subsidiaries	105.91	0.48	-
Cash and cash equivalents at January 1	450.16	689.56	1,790.58
Cash and cash equivalents at December 31	689.56	1,790.58	929.34

### 4.3.5 Financial Ratios

	Financial Statements		
	2019	2020	2021
<b>Liquidity Ratios</b>			
Current ratio (times)	2.86	1.24	1.90
Quick ratio (times)	2.35	0.99	1.48
Cash ratio (times)	2.00	1.19	0.77
Receivables turnover (times)	5.75	4.86	4.44
Collection period (days)	62.64	74.04	81.06
Inventory turnover (times)	6.74	5.24	4.36
Inventory turnover period (days)	53.39	68.72	82.62
Accounts payable turnover (times)	13.54	13.82	14.34
Payment Period (days)	26.59	26.05	25.11
Cash cycle (days)	89.44	116.72	138.57
<b>Profitability Ratios</b>			
Gross profit margin (%)	47.69	45.79	44.13
Operating profit margin (%)	44.44	43.84	40.46
Other profit margin (%)	0.10	(2.15)	(1.58)
Cash to net profit ratio (%)	97.21	98.89	92.83
Net profit margin (%)	42.24	39.37	36.90
Return on equity (%)	17.66	16.08	14.02
<b>Efficiency Ratios</b>			
Return on assets (%)	13.28	11.04	9.09
Return on fixed assets (%)	19.54	16.22	13.92
Total assets turnover (times)	0.31	0.28	0.25
<b>Financial Policy Ratios</b>			
Interest bearing debt to equity (times)	0.30	0.45	0.52
Net Interest-bearing debt to equity according to terms and conditions (times) <sup>(7)</sup>	0.23	0.36	0.39
Debts to equity ratio (times)	0.40	0.51	0.57
Net Interest-bearing debt to EBITDA (times) <sup>(11)</sup>	1.45	2.24	3.00
Interest coverage ratio (times) <sup>(2)</sup>	41.84	15.54	10.31
Debt service coverage ratio (times) <sup>(3)</sup>	n/a	1.35	1.34
B/E,P/N size to interest bearing debt ratio (times) <sup>(4)</sup>	1.0	0.95	0.96



	Financial Statements		
	2019	2020	2021
Interest Bearing debt matured 1 year to total interest-bearing debt (times) <sup>(5)</sup>	0	0.33	0.25
Loan from Financial Institution to interest bearing debt ratio (times) <sup>(6)</sup>	0	0	0

**Notes:**

- (1) Net interest-bearing debt to EBITDA ratio calculated from (interest-bearing debt) / EBITDA\*  
\* EBITDA calculated from revenue from sale of power and goods + revenue from adders + other income – cost of sales of power and goods – distribution costs – administrative expenses + depreciation
- (2) Interest Coverage Ratio calculated from EBITDA / finance costs (from the statement of cash flows)
- (3) Debt Service Coverage Ratio calculated from EBITDA / (principal repayments and finance costs from the statement of cash flows)
- (4) B/E, P/N size to interest-bearing debt ratio calculated from (B/E+P/N) / interest-bearing debt
- (5) Interest Bearing debt matured one year to total interest-bearing debt calculated from (short-term interest-bearing debt + current portion of long-term interest-bearing debt) / interest-bearing debt. For the year 2019, the value is 0 because the Company does not have debt obligations from financial institutions.
- (6) Loans from Financial Institutions to total debt ratio calculated from the loan from investment institutions / total debt. For the year 2019, 2020, and 2021, the value is 0 because the Company does not have debt obligations from financial institutions.
- (7) Net Interest-bearing debt to equity according to terms and conditions for the MTN of the year 2021 calculated from interest-bearing debt, less cash, deposits, and short-term investments in excess of Baht 1,500 million, and less lease liabilities and financial debt for investment in power plants with official contracts / shareholders' equity

## 5. General Information and Other Key Information

### 5.1 General Information

Based on Section 1.1.5, name, location, head office, business type, Company registration number, telephone, fax, company website, number and type of securities sold

### 5.2 Other Important Information

- None -

### 5.3 Legal Disputes

See the details shown in the notes to the financial statements for the year 2021, note 33.

### 5.4 Secondary Market

The Company does not have securities listed on other countries' exchanges.

### 5.5 Regular Contact Financial Institutions (only in case of debt instruments)

CIMB Thai Bank Plc.	44, Langsuan Road, Lumpini Subdistrict, Pathumwan District, Bangkok 10330
Bank of Ayudhya Plc.	1222, Rama 3 Road, Bang Phongphang Subdistrict, Yan Nawa District, Bangkok 10120
Asia Plus Securities Co., Ltd.	3/1 FL., Sathorn City Tower, 175 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120


# 2

## Corporate Governance

### 6. Corporate Governance Policy

#### 6.1 Overview of Corporate Governance Policy and Guidelines

The Board of Directors places great importance on and commitment to operating the business to be in compliance with the principles of good corporate governance and based on the Code of Conduct policy of the TPI Polene Group, which has been continuously reviewed, updated, and delivered to The Board of Directors. The Group's corporate governance policies and business ethics are presented on the Company's website to guide corporate governance at all levels throughout the organization to create a good corporate culture, as well as for investors to understand and to be able to serve to further monitor the group's business direction. Recently, the Company announced a guidelines policy for employees in accordance with the way of Four Noble Truths and Four Sublime States of Mind, as detailed below:

  
Announcement  
Issue no. 1/2022  
Subject: Principles of Employee Duties


For success in creating the sustainable business growth of the Company, TPI Polene Group adheres to Environmental, Social and Governance (ESG) criteria, by embracing the Bio Circular Green Economy as a sustainable business model under the standards of good corporate governance. In carrying out duties and responsibilities, all employees are required to work under the Four Rddhippada: Basic For Success 4, which consists of the following:

1. Chanda: (Aspiration): Intention or purpose or desire or zeal. The need to do and always be willing to do what is assigned and aspire to make it work even better.
2. Viriya: (Effort) or energy or will,
3. Citta: (Concentration) Consciousness or mind or thoughts, concentrate on work
4. Vimansa: Planning, Result Checking, Good Governance, Research and Development

With a committed heart to create a balanced happiness with a better quality of life in a sustainable manner pursuant to Four Sublime States of Mind, which consist of the following:

Metta: Mercy  
Karuna: Kindness  
Mudita: Sympathetic Joy  
Upekkha: Equanimity

Announced on January 5, 2022.

  
Prachai Leophairatana  
Chairman

Note: This principle of living follows the metaphysical concept of the Four Noble Truths.

## Brahma-vihara (FOUR SUBLIME STATES OF MIND)

Metta (Mercy)	Love, desire for others to be happy
Karuna (Kindness)	Desire to get others out of their sufferings
Mudita (Sympathetic joy)	Pleasure that come from delighting in other people's well-being, even if one did not contribute to it
Upekkha (Equanimity)	Even-mindedness and serenity, treating everyone impartially

## Iddhipada 4 (BASIS FOR SUCCESS 4)

Chanda (Aspiration)	To be content and happy in doing good deeds with enthusiasm and strong intention
Viriya (Efforts)	Diligence, patience, commitment, endurance, willingness to work hard and to never give up; having the courage to tackle any obstacle and having the courage to make changes
Citta (Concentration)	Consciousness of the senses, Subconscious mind, and Intellect, is of immense power
Vimamsa (R&D)	Involves conducting an investigation or discrimination, a plan, a measure, an invention of a solution.

**The Principles of Iddhipada 4:** Path of accomplishment in work, which consists of the following:

**Chanda (Aspiration):** Satisfaction with the work we're performing.

First, we need to explore ourselves for what kind of job we like or what areas of work we have faith in, and then go down that path. We can start easily by questioning ourselves what we work for and whether we are happy if such job is not a loving job. In case we have time to find and adjust ourselves or adapt our faith to our work.

**Viriya (Effort):** Diligence in work

All work can be done requires diligence. Viriya is another tool that can lead to success. The more we work hard, the rewards received are even more. More importantly, Viriya can be achieved with the love of work, not just dedicated the work to life but virility is a self-training one.

**Citta (Concentration):** The mind that focuses on the work is completely good for the work that is done.

Chitta is Thammasa that represents conscious, prudence, and responsibility and helps us to work without distractions. Once we have both Chanda and Viriya, Chitta can be considered as the fence of a path that does not distract us from success.

**Vimamsa (R&D):** Contemplation and use of wisdom to monitor work

The best way of getting the job done is in this last element of basis for success 4. Vimamsa means contemplate, working with wisdom and brain thinking, not just working on it. Probably, reconsidering ourselves steadily of what we have done all day, summarizing the reasons why we have done all things today and we can be encouraged in the following days to not repeat our mistakes, and we can see a way to see which paths will actually lead to success.

Therefore, if Iddhipada 4 (Basis for Success 4) is applied at work, if we love the work, work hard, and take responsibility for the work and know how to contemplate carefully. The way of success is not beyond the reach (Source: Division of Planning, Office of the President, Maha Sarakham University), which is the main principle of Iddhipada 4 and is the way toward success at work, a commitment to creating balanced happiness with a sustainable quality of life.

## FOUR NOBLE TRUTHS

### Heart of Buddhism (Ariyatham to the Cessation or Extinction of Suffering)

The basic doctrine of Buddhism is a noble path leading to the complete destruction of suffering.

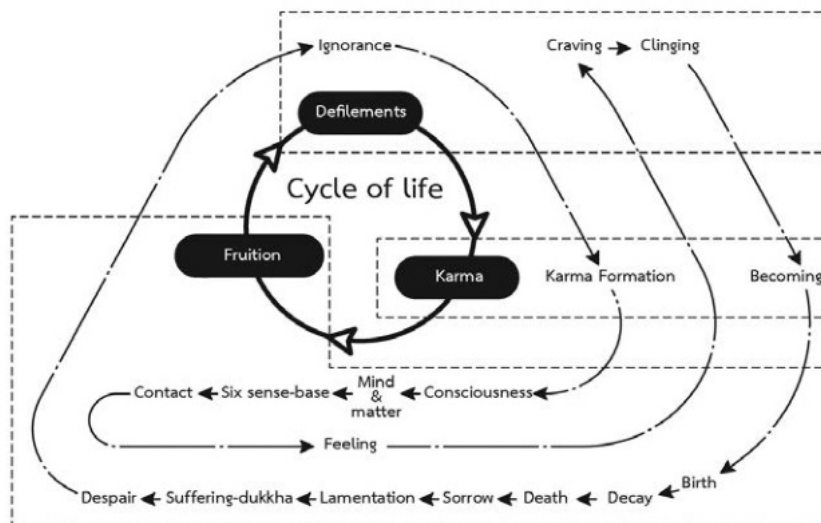
<b>Dukkha</b>	<b>Suffering</b>
<b>Samudaya</b>	<b>The Cause or Origin of Suffering</b>
<b>Nirodha</b>	<b>The Cessation or Extinction of Suffering</b>
<b>Marga</b>	<b>The Path leading to the Cessation or Extinction of Suffering</b>

**Dukkha: UNSATISFACTION, SUFFERING, PAIN**

The word suffering in the Heart of Buddhism does not just mean suffering in Thai as it is understood. It also means difficult conditions to endure in the same condition and clinging to impermanent states and things or stress conditions.

**Samudaya: THE ORIGIN OR ARISING OF DUKKHA**

**Consideration of Paticca-samuppada:** Cause of Suffering. Paticca-samuppada or the Law of Dependant Origination is the Dhamma or natural law



**Nirodha: EXTINCTION OF SUFFERING**

The Cessation or Extinction of Suffering can be attained by the renouncement or letting go of Tanha

**Marga: THE NOBLE EIGHTFOLD PATHS**

The Path leading to the Cessation or Extinction of Suffering

1. Right View
2. Right Intention
3. Right Speech
4. Right Action
5. Right Livelihood
6. Right Effort
7. Right Mindfulness
8. Right Concentration

### Chants conquering the Evil: Panmare Chino Na Tho

Panmare Chino Natou Patto Sampothimuttaman  
Chatur Satjung Pakasti Thammajakang Pawattayi  
Etena Sajjavajchena Hotu Me Chayamankalang  
Devil 5 (What Kills a Person to Die from Goodness)

### The Evil One, The Tempter, The Destroyer

1. The MARA of Defilement
2. The MARA of Aggregates<sup>2</sup>
3. The MARA of Karma Formations<sup>3</sup>
4. The MARA of Deity
5. The MARA of Death

After conquered the five devils, the Buddha enlightened Four Noble Truths

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#### Note

1. **MARA (The Destroyer)** is something that depletes one from his virtues or noble results or something that consumes virtues or prevents one from attaining good results.
  1. MARA of Defilement is love, greed, anger, delusion, evil spirit.
  2. MARA of Aggregates is something that destroys one's Aggregates, makes him pain, sick, crippled, depriving one of the opportunities to do good deeds.
  3. The MARA of Karma Formations is the thought, emotion, and karma cultivator that prevents one from avoiding the suffering in samsara or rebirth of one in 31 places of existence.
  4. The MARA of Death is death that deprives one of the opportunities to do good deeds.
  5. The MARA of Deity is an evil deity who is powerful and inspires one not to do the good deeds.
2. **Five Khandha (Five Groups of Existence or Five Aggregates)** are the five aggregates of form and abstract that make up the collective units which are ordinarily called animals, persons, beings, he, we, etc. The five components incorporated into life.
  1. The corporeality group (rupa-kkhandha) is the aggregate of form which is the mixture of earth, water, air, and fire elements such as hair, skin, bone, and blood.
  2. The feeling group (vedana-kkhandha) is the aggregate of processing feelings such as happiness, suffering, or indifference.
  3. The perception group (sañña-kkhandha) is the aggregate that remembers what one received or felt. It is the part that defines or perceives the meaning of what have known (Arrom 6) such as white, green, black, red, etc.

4. The mental-formation group (sankhara-kkhandha) is the aggregate of thought to identify what you feel and remember whether it good or bad or indifferent, neither good nor bad. The mind was led by intention to be good or bad or upyakrit (neither good nor bad) such as kaya-sankhara (physical intent), vajee-sankhara (verbal intent), and mano-sakhara (mind intention).
5. The consciousness-group (viññana-kkhandha) is the aggregate of cognition or knowing of things through the six senses including eyes, ears, nose, tongue, body, and mind.

The Five Aggregates are abbreviated into two groups, namely the abstract and the form (Rupa Khandha).

3. **Apisankhara 3** is the thought, emotion, and karma cultivator, comprising of:

1. Punyaphisangkharā is a thought that enhances good karma (merit).
2. Apunyahisangkharā is a thought that enhances evil karma (sin).
3. Anenchaphisangkharā is a thought that is calm, unable to be upset or excited.

4. Fetter is the defilement that binds the animals to suffering or defilement that binds the mind to the cycle of defilement, karma, and the result of karma. There are 10 fetters, i.e.

1. Sakkaya-ditthi : One has the view that the five aggregates are self.
2. Wichikitcha : One has doubts about the virtues of the Three Jewels, namely the Buddha, the Dharma, and the Sangha
3. Silappatāpamas : One adheres to the sacred things or customs by believing in magic which is not Buddhism or adheres to the wrong practices, which is not the aim of Buddhism.
4. Kamaraka : One has contentment in sensual pleasures or lust.
5. Vengeance : One adheres with anger.

Udhamphakiasayojana or the Five Higher Fetters are:

6. Rupa-raka : One has greed for material existence or attachment to realms of form.
7. Arupa-raka : One has greed for immaterial existence or attachment to formless or abstract realms.
8. Mana : One had conceit or pride with the feeling of being better, worse, or equal with others.
9. Uttacca : One is distracted or restless.
10. Avijja One has ignorance of the Four Noble Truths

Phra Sodaban is the one who puts an end to all first 3 fetters, namely Sakkaya Ditthi, Vicikiccha, and Silabbat Pramas.

Sakathakami is the one who puts an end to all first 3 fetters and reduces lust and anger. Anakami is the one who puts an end to the 5 lower fetters.

Arahant is the one who puts an end to all 10 fetters.

5. Sankhara is Body and Mental Formations, together with Volitional Formations and Volitional Activities. Sankhara also means “formations” or “that which has been put together” of all including ingredients, decorations, parts of the body, mind, life, spirit, all things that made up. (Volitional Formation is what our brains think. The more we think, the more formations follow like a shadow following our body. What is in the brain will be expressed through words and actions, which is karma. Since our minds are endlessly concerned or embellished, we commit karma endlessly, resulting in us being reborn indefinitely). In the Trinity (Trilak), sankhara is the thing being formed or improvised, which is all the the mind and forms.

Paticca-samuppada (the Dependent Origination; conditioned arising) Sankhara 3 is

1. Kayasangkharā : bodily formation, bodily volition
2. Vajisangkharā : verbal formation, verbal volition
3. Manosangkharā : mental formation, mental volition

Sankhara has three qualities known as trilak (three marks of existence) as follows:

4. Anicca: Impermanence
5. Duhkha: State of suffering or being oppressed, state which cannot stand it in its original condition, state that will deteriorate because of being oppressed by Anicca.
6. Anatta: No real self, incapable of being in power



## **The opposite of Sangkhara is Wisangkhara**

### **Wisangkhara is Nirvana, which is eternal. It leads to nicca, sukhang, anatta (dharma)**

As a listed company on the Stock Exchange of Thailand TPI Polene Group recognizes its important mission in the field of good management, transparency, and equality for all stakeholders, ensuring investment and creating long-term value for shareholders, building trust with all stakeholders, as well as ensuring the organization has the right management, and is most effective in promoting the competitiveness of the organization to grow sustainably to raise corporate governance standards.

However, having good corporate governance and business ethics will be able to lead the TPI Polene Group. The Company wants to achieve stable, sustainable, and elegant growth goals to build confidence for shareholders and all stakeholders to be able to develop operational standards to be international. Performance monitoring is followed to ensure effective implementation, which covers investments, which are planned jointly. The Company has defined a clear roadmap with follow-up reports on the progress of operations on a regular basis, and formulated long-term strategies and goals for sustainable growth development. The Board recognizes its role as a leader of the organization and understands the benefits and implementation of good corporate governance principles and business ethics in the organization. The Company continuously aims to be internationally recognized.

TPI Polene Group has reviewed its CG policies and manuals to comply with the law, best practices for business operations, changing socioeconomic and environmental conditions. The Company requires directors, the management, and employees at all levels to acknowledge and adhere to these policies and conditions as part of their work – this is a commitment to take concrete action. The Board of Directors has established the following good corporate governance policies for TPI Polene as follows:

1. The Board of Directors, the management, and employees are committed to implementing the core principles of good corporate governance in the implementation of the management structure that is related to The Board of Directors, the management, and shareholders, including fair practices to the stakeholders.
2. The Board of Directors must perform its duties with dedication and responsibility, to be independent with roles and duties between the Chairman and the Managing Director and the President are clearly separated.
3. The Board of Directors plays an important role in determining the Company's vision, strategy, policies and plans by considering risk factors and laying out management guidelines, managing appropriately, and taking necessary steps to ensure that the accounting system, financial reports and audits are reliable.
4. The Board of Directors must be a leader in ethics as an example of the implementation of regulatory guidelines under good corporate governance and monitor the management of conflict of interest and connected transactions.
5. The Board of Directors may appoint a specific committee as appropriate to help carefully verify important tasks.
6. The Board of Directors must provide an annual self-assessment as a framework for monitoring the duties of The Board of Directors.
7. The Board of Directors determines the ethical standards and ethics of the Company in order to provide the management, employees, and all staff with guidelines for conduct, along with the Company's rules and regulations.
8. The Board of Directors must provide adequate disclosure of the Company's information both financially and non-financially – these must be adequate, reliable, and timely to ensure that shareholders and stakeholders of the Company receive information equally, as well as to provide privatization agencies and investor relations agencies to be responsible for providing information to investors and the general public.
9. The Board of Directors Shareholders must be treated equally and have the right access to information to communicate with the Company.
10. The Board of Directors must provide a system for selecting personnel to be responsible for important administrative positions at all levels appropriately under a transparent and fair recruitment process.
11. The Board of Directors must provide a system that supports effective anti-corruption in order to confirm that the administration recognizes and focuses on the importance of, as well as following anti-corruption measurement policy.

### 6.1.1 Policies and Guidelines relating to The Board of Directors

The Board of Directors intends to promote the Company as an effective organization to conduct its business effectively with good corporate governance and excellent management. It focuses on creating good benefits for shareholders, employees, customers, and takes into account stakeholders and all related parties as a whole under good governance principles in business. This makes work processes of the Company's management and employees transparent and auditable, and therefore establishes topics related to policies and practices related to The Board of Directors as follows:

1. **The Board of Directors, the Management and all employees adhering to the adoption of six key principles of good corporate governance** with a structure of management that is associated with The Board of Directors, the management, and shareholders as follows:
  - Accountability, responsibility for decisions and their own actions
  - Responsibility for performing the duties with sufficient competence and efficiency
  - Equitable Treatment and fair treatment of stakeholders
  - Auditable operational transparency and transparent disclosure to those involved
  - Vision to create long-term, value-added for the organization
  - Integrity and Ethics for Business Operation
2. **The Board of Directors and the management of the Company play an important role in determining the Company's vision, strategy, policies, and plans**, considering risk factors and setting out appropriate management practices, being responsible for the performance of duties to shareholders, determining the direction of growth to make important decisions of the Company with caution and integrity, as well as ensuring that the accounting system is implemented, financial reports and audits are reliable, and shareholders are treated equally.
  - The Board of Directors must be a leader in ethics, and the implementation of regulatory guidelines, taking good care of business operations and monitoring conflicts of interest and connected transactions.
  - The Board of Directors is responsible for determining the ethical standards and principles of the Company for The Board of Directors, the management and all employees, as a guideline for their conduct in conjunction with the Company's rules and regulations.
  - The Board of Directors must provide adequate disclosure of the Company's information, both financial and non-financial, in a reliable and timely manner to ensure that shareholders and stakeholders of the Company receive equal information. The Board of Directors must provide information to public relations agencies and investor relations agencies responsible for providing information to investors and the public.
  - The Board of Directors must ensure that shareholders are treated equally, have access to information, and have appropriate channels to communicate with the Company.
3. **The Board of Directors and the Management are leaders in ethics**, as a good model to operate in accordance with the Company's good corporate governance guidelines and to monitor the management of conflicts of interest and connected transactions.
4. **The Board of Directors acts with dedication, responsibility, and independence** with clearly separate roles between the Chairman of The Board of Directors and the Chief Executive Officer and the President.
5. **Roles of the Chairman**

It is essential to ensure that the separation of authority in terms of policymaking and management of the Company is clearly separate. Therefore, the Company requires that the Chairman of The Board of Directors, the Chairman of the Executive Committee, and the President be separate persons, with the Chairman playing an important role (as shown on the Company's website <http://www.tpipolene-power.co.th/index.php/en/en-about-us/roles-of-the-chairman>). The Chairman of The Board of Directors is an independent director in another role, with the freedom to comment, ensuring that the Company's director structure is properly balanced as follows:

1. Calls The Board of Directors' Meetings, serves as Chairman of The Board of Directors' meeting and the Shareholders' Meeting, as well as playing a role in setting the agenda with the Chief Executive.
  2. Plays a role in controlling meetings effectively in accordance with regulations and the Articles of Association of the Company and allows the directors to express their opinions independently.
  3. Supports and encourages The Board of Directors to perform duties to the best ability in accordance with the scope of authority, duties, responsibilities and in accordance with good corporate governance principles.
  4. Monitors the management of The Board of Directors and other sub-committees to achieve planned objectives.
  5. Acts as the decisive voter in the event that a Board of Directors' meetings has the same vote and votes on both sides are equal.
6. **The Board of Directors provides self-evaluation** and annual evaluation of other directors to serve as a framework for reviewing the duties of The Board of Directors and considering, reviewing, and analyzing performance for work improvement.
7. **Succession Plan:** The Board of Directors and management must take steps to ensure that the Company has a system of personnel selection that will be properly responsible for key management positions at all levels. Personnel preparation is required to plan succession, especially in executive positions, by setting policies, the management policy and development approach, including individual development plans to be ready to take higher positions with vacancies.
8. **Establishment of a specific committee:** The Board of Directors may appoint a specific committee as appropriate to help carefully review sensitive work; The Board of Directors has appointed a qualified and appropriate director to serve as an important member of The Board of directors, the Company's sub-committee consists of: Executive Committee and Audit Committee.
- The Executive Directors consists of nine directors who have knowledge, competence, ethics, and experience in business operations.
  - The Audit Committee consists of three independent directors who are fully qualified as announced by the Securities and Exchange Commission, including the Stock Exchange of Thailand, to perform the duties of auditing, and balancing the management of the Company's business to be accurate, fair, and in the best interests of shareholders.

In addition, at The Board of Directors' Meeting No. 10/2564, on October 29, 2021, the nomination and remuneration committees were considered at the meeting and therefore approved all directors as the Nomination and Remuneration Committees of the Company.

9. **The Board of Directors and the management have recommended and determined the Company's business ethics** for The Board of Directors, and administrators, including all employees; these business ethics are to be used as a guideline for conducting operations in conjunction with the Company's rules and regulations as shown on the Company's website <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>
10. **The Board of Directors and the management will provide adequate disclosure of the Company's information, both financial and non-financial, adequately, reliably, and in a timely manner** to ensure that shareholders and stakeholders of the Company receive equal information, as well as to provide information to public relations agencies and investor relations agencies which are responsible for providing information to investors and the public.
11. **The Board of Directors and the management provide effective anti-corruption support** to ensure that management is aware of and focused on anti-corruption, as well as to implement anti-corruption measures, which are shown on the Company's website

<http://www.tpipolenepower.co.th/index.php/th/th-investment/social-responsibility-th>

<http://www.tpipolenepower.co.th/index.php/th/th-aboutus/anti-corruption>

12. **Director Development:** the Company requires the orientation of new directors and provides a manual of directors, documents, and useful information for directors by encouraging directors to continue to consider training with the Thai Institute of Directors and other related institutions throughout the year to promote understanding of their work under the principles of good corporate governance of listed companies, in order to increase knowledge of the roles of directors that will contribute to continuous and modern improvements in operations.
13. **The meetings of The Boards and receipt of information:** All board members should attend The Board meeting. The Office of the Directors is responsible for preparing documents and setting and coordinating meetings. Each director must be informed of the date of the meeting, the agenda, and receive meeting information to reasonably study in advance. The Company holds regular board meetings, on average at least once a month. Additional meetings may be held as appropriate so that The Board of Directors can continuously supervise the management's operations as detailed on the Company's website <http://www.tpipolene-power.co.th/index.php/en/en-aboutus/board-meeting> In every meeting, time is allocated appropriately and adequately so that the directors can consider the agenda generally. The Chairman and Chief Executive Officer are the agenda coordinators and consider the agenda of The Board of Directors to ensure that all important issues in business operations are considered by The Board of Directors in full. Each director is free to propose agenda items for consideration at the meeting and has an open and free expression of opinion. They are encouraged to exercise discretion on all issues discussed during the meetings.
14. **The agendas of The Board of Directors** must be voted on by at least two-thirds of the directors who attended the meeting.
15. **The Board of Directors meetings may be subject to all or part of electronic meetings, and the Company shall properly comply with the Public Limited Companies Act** and related legal regulations regarding The Board of Directors meetings; Minutes of meetings are written and certified and are stored systematically and securely kept by The Board of Directors.
16. **At The Board of Directors' Meeting, the Company properly complies with the Public Limited Companies Act** regarding board meetings. The meeting notes are written, and The Board of Directors keeps the minutes of the certified minutes systematically and with good security.
17. **Remuneration of Directors and The Management**

Determination of remuneration of The Board of Directors is fair and reasonable, by considering the appropriateness and compliance with the responsibilities of the directors and the performance of the Company. Remuneration of directors has also been approved by the Shareholders' Meeting in terms of executive remuneration. The Company determines the compensation appropriately based on responsibilities of the Company's performance and the practices of listed companies in the same industry.
18. **Corporate Secretary:** The Board of Directors appoints a Corporate Secretary to supervise The Board of Directors' meetings and shareholders' meetings in a smooth and transparent manner, in accordance with the rules and legal regulations and to keep track of compliance correctly and regularly. In addition, the Corporate Secretary performs its duties to oversee the activities of The Board of Directors, including coordinating compliance with The Board's resolutions and complying with the Company's good corporate governance principles.
19. **Principles of other positions of TPI Polene Group's management**

Details shown in Section 8 Important Corporate Governance Performance Report Subsection 8.1.3 Supervision of subsidiary and associate companies.

## 6.1.2 Policies and Guidelines relating to shareholders and stakeholders

The Company has given importance to build a corporate governance culture in a concrete manner under the Code of Conduct which has been published on the Company's website. The Company has a policy to update its business ethics according to the changing situation regularly. In addition, The Board of Directors acknowledged best practice for directors of a listed company as their principal guideline. The Board of Directors, executives, and employees at all levels have performed their duties with a conscience of adhering to honesty, morality, ethics, and awareness of the reputation and honor of the Company as a leading company with credibility, stability, and reputation for more than 20 years. The Company's corporate governance is in accordance with good corporate governance rules and best practices of the Stock Exchange of Thailand. In summary, the key activities of corporate governance are divided into 5 sections as follows:

### 1. Section 1. Shareholder Rights

The Company realizes and respects the importance of the rights of all shareholders. The Company has policies to protect shareholders fundamental rights and ensure equitable treatment under the related governing laws as follows:

#### 1. Shareholders' Meeting

The Company schedules an annual general meeting of the shareholders ("AGM") within 4 months of the annual closing date of its accounting books. In case there are emergency issues that might affect the interest of the shareholders and/or are related to the terms and regulations or any legal issues, to be proposed for approval in the meeting, the extraordinary shareholders' meeting will be held as the case may be. The Annual General Shareholders' meeting was held on April 21, 2021, at the Conference Room on the 9th floor of TPI Tower, 26/56 Chan Tat Mai Rd, Thungmahamek, Sathorn, Bangkok.

#### Delivering Meeting Notices

In 2021, The Board of Directors No. 2/21, dated February 26, 2021, resolved to hold the Annual General Meeting of Shareholders on April 21, 2021, by revealing the meeting resolutions, meeting date and agenda and making an announcement on the website of the Stock Exchange of Thailand to inform shareholders in advance of the date of The Board's resolution before the delivery of the meeting invitation letter by Thailand Securities Depository Co., Ltd. The securities registrar of the Company will be the one to deliver the meeting invitation letter with details of the meeting agenda, important and necessary supplementary information for decision making/committee opinions, minutes of past meetings with complete details, annual report and meeting documents, documents required for proxy which clearly specify how to use them as specified by the Company, and sends it to the shareholders more than 14 days in advance before the date of the shareholders' meeting. The invitation letter for the meeting was sent out on April 6, 2021, and was announced in the daily newspaper for three consecutive days, three days prior to the meeting date (30, 31 March and 1 April 2021) in order to notify the shareholders of the meeting in advance for sufficient preparation before attending the meeting.

In this regard, at the Annual General Meeting of Shareholders for the year 2021, the Company disclosed the information of the shareholders' meeting invitation and supporting documents, including the proxy form on the company's website on March 24, 2021, which was 29 days prior to the meeting date.

Before the start of each shareholder meeting, the Chairman of the meeting will assign the MC to conduct the meeting and to introduce the attendees, which consists of The Board of Directors, the management team, the Company's auditors, and legal advisors. who act as a mediator and witness to the meeting. The MC then explains all the rules of the meeting including the method of counting the votes of the shareholders who must vote for each agenda item according to the Company's Articles of Association, including the exercise of voting rights for each agenda item clearly by using separate ballots for each agenda item and when information has been provided according to the meeting agenda.

The Chairman gives all attendees an opportunity to express their opinions, suggestions, and ask questions about each agenda item. The Company has prepared a paper and a questionnaire for the attendees to ask instead of using a microphone for good hygiene and safety. The president and executives answer questions clearly and focus on every question, then let the meeting vote on each agenda.

The Chairman only conducts the meeting according to the agenda listed in the Invitation of the Annual General Meeting of Shareholders for the year 2021 and there are no additional meeting agenda items without prior notice to the shareholders, unless the meeting resolves to change the order of agenda items with a vote of not less than two-thirds of the number of shareholders attending the meeting; or shareholders holding shares in aggregate not less than one-third of the total number of shares sold may request the meeting to consider matters other than those specified in the invitation letter. When the meeting has considered that the agenda already set as stipulated in the Company's Articles of Association, in the 2021 Annual General Meeting of Shareholders, there is no change in the order of the agenda and no requests for the meeting to consider other matters that are not set in the meeting.

In addition, at every meeting the minutes of the meeting are recorded accurately and completely, and it concludes with a resolution and vote counting. In this regard, the 2021 Annual General Meeting of Shareholders was scheduled at 4:30 p.m. with registration starting at 3:00 p.m. The Company registered a total of 25,481 shareholders holding 8,400,000,000 shares, with 47 shareholders attending the meeting in person holding 208,592,321 shares, and 73 shareholders appointing others to attend the meeting holding 6,275,536,523 shares, totaling 120 registered shareholders, counting the total number of shares 6,484,128,844 shares, representing 77.19% of the total number of shares sold of the Company, forming a quorum. The meeting attendees and clarified information consisted of:

- A total of 15 members attended the meeting, with the Chairman of the Company acting as the Chairman of the meeting. The chairmen of all specific committees, the CEO and President, along with executives at the level of Executive Vice President, Vice President, and other executives were in front of the stage to clarify and provide information in case of any inquiries. The independent directors were also proxy holders from the minority shareholders.
- Auditors from KPMG Phoomchai Audit Limited:
  1. Mr. Bunyarit Thanormcharoen
  2. Mr. Chutsorn Likitpipattanakul
  3. Ms. Petcharat Promsuwan
- Legal Advisor from SCL Nishimura & Asahi Limited (acting as a witness to review and test the voting in case there are arguments throughout the meeting)
  1. Mr. Vira Kammee
  2. Ms. Nilobon Tangprasit

#### **Practices Guideline for Conflict of interest**

The Guidelines of Good Corporate Governance specifies that the Executive Directors and all employees prepare a conflict-of-interest report in both the annual and new reports during the year in case of changes. In any meeting, any stakeholders who have conflicting interests with the Company should be notified in the meeting and should not participate in or abstain in that agenda item. At the Shareholders' Meeting, if any directors have any interest in or are involved in any agenda item, the director will notify the meeting attendees to request not to attend the meeting and abstain from voting on such an agenda item.



## Disclosure of the results of the vote in the Shareholders' Meeting

In 2021, TPI Polene Power Public Company Limited delivered a summary report on the results of the vote at the shareholders' meeting to the SET and the SEC by the evening after the completion of the meeting (April 21, 2021) and delivered the minutes of the shareholders' meeting (the minutes of the meeting, with a clear agenda and specifying the number of directors attending the meeting/ absent from meeting, shareholder inquiries and clarifications of The Board of Directors, voting count and the results of the votes in complete) to the SET and the SEC within the 14-day.

### 2. Equitable treatment of shareholders

The Company treats each shareholder equally (even if holding unequal shares and having different voting rights according to the number of shares held). All shareholders have equal rights as shareholders regardless of gender, age, race, nationality, religion, belief, social status, disability or political views. The invitation letter for the Annual General Meeting of Shareholders of the Company is sent at least 14 days in advance of the meeting date. An invitation letter for the Annual General Meeting of Shareholders, both in Thai, is prepared for Thai shareholders and in English for foreign shareholders. In addition, the information of the meeting invitation was published in both Thai language and English on the company's website.

### 3. Facilitating Shareholders

The Company treats all shareholders in a fair manner. The Company always allows registration of shareholders up until one hour before each meeting. A barcode system summarizing details of each shareholder is printed on the registration form, or the proxy form, to facilitate registration and save time. A suitable reception is also extended to all shareholders.

## 2. Section 2. Equitable Treatment of Shareholders

The Company values and treats all shareholders equally and fairly through the following actions:

1. Conducting the meeting in the sequence of agenda items as specified in the invitation and not adding agenda items without notifying shareholders in advance, to ensure they have enough time to investigate before making their decisions.
2. Appointing proxies to maintain the rights of those shareholders who cannot attend in person: they are able to appoint proxies, or to delegate their votes to any independent director in attendance.

In addition, the Company also discloses the format of the proxies (as per the format set by the Ministry of Commerce) together with all details and procedures on the Company's website <http://www.tpipolenepower.co.th> in advance of the meeting.

3. In order to encourage shareholders to use ballots for every agenda item, voting tickets are provided for each separate agenda item.
4. All groups of shareholders can access the Company information completely, accurately, transparently, and in a timely manner. The Company has established an Investor Relations Office to take responsibility for providing information in both Thai and English to all shareholders, equally and completely, to ensure that shareholders can make appropriate investment decisions. Corporate information is disclosed on the Company's website, as well as on the websites of the SET, to facilitate access by shareholders and other interested investors.
5. Ensuring strict supervision of the use of inside information by explicitly defining in writing the misuse of inside information as part of the Code of Conduct. In addition, in order to prevent any conflicts of interest, or misuse of inside information by The Board and Management, the Company has put in place internal information controls to supervise the use of inside information as follows:

- (1) Directors and Management will be regularly informed of related laws and regulations pertaining to misuse of inside information, through various communication channels.
  - (2) The Company discloses in the TPIPL Annual Report the shareholdings of Directors, Management (and the holdings of management equivalents in Finance and Accounting Division) in compliance with the regulations of the Office of Securities and Exchange Commission.
  - (3) The Directors and Management of the Company are fully responsible for submitting a report of their shareholdings in the Company, and those of their spouses and minors, in accordance with provisions contained in the Securities and Exchange Act.
  - (4) Any misuse of internal information shall be subject to disciplinary action, including dismissal, as announced in the Company's rules and regulations.
6. Devising practical guidelines for potential conflicts of interest in its Good Corporate Governance and Code of Conduct for the Directors. Management and employees must strictly comply with these guidelines.

### 3. Section 3. Stakeholder Roles

The Company is well aware of the roles of all stakeholders. The Company sets precise responsibilities to be prudent, fair, and respect the rights of all stakeholders in operating its business. Hence, the Company has established a Code of Business Conduct emphasizing the balanced consideration of all stakeholders, which has been disclosed via the Company's website. TPI Polene has embraced the Code of Conduct as a policy for Directors, management and all employees to put the Code into practice and to abide by strict moral guidelines.

All management levels must strictly follow the Code of Conduct as best practice principles, and it is a strict policy to ensure that all employees under each relevant organization will acknowledge, understand, and follow the Code of Conduct.

The Company has a strict policy to treat all stakeholders fairly, as follows:

- (1) **Shareholders:** The Company concentrates on establishing the greatest benefit to shareholders. The accounting and financial systems are in place to ensure that any mistakes and irregularities will be identified in due course and that financial reports are accurate, adequate, and reliable. The Company's continuously strong financial potential is demonstrated in its ability to make appropriate dividend payments to shareholders.
- (2) **Customers:** The Company places great emphasis on customer satisfaction through the quality of its products and services, provided at reasonable prices. The Company's power plants have also been awarded ISO 9001:2015 certifications from the International Organization for Standardization.  
  
In addition, the Company holds seminars for customers to enhance relationships and to educate them about the products offered. We welcome all customer suggestions about our products and services, as these lead to higher efficiency of product development, and maintain customer with brand loyalty.
- (3) **Management and Employees:** The Company realizes the importance of human resources in the organization, regardless of the work, without discrimination, with a policy to continuously improve the potential of the Management and employees. It provides training both inside and outside the Company. In addition, the Company has an effective recruitment and hiring process, as well as consideration of equal and appropriate returns and benefits. This can be compared to companies in the same industry. In addition, the Company also focuses on the safety of its human resources by adopting Health and Safety Management standards. The system focuses on reducing the risk of harm and accident of employees and stakeholders. Details shown in Section 3: Driving Sustainable Business Sub-topic 3.4.1 Sustainability management in social dimensions and 3.4.2 Social Performance.
- (4) **Trade partners:** The Company ethically sets its business operation strategies, thus enhancing relationships with all trade partners through transparent and fair practices. The Company has a policy of benefit sharing and equitable treatment for trade partners and strictly adheres to contractual agreements and does have any business commitments that favor or has strong involvement with any trade partners. Details are disclosed on the Company's website, <http://www.tpipolenepower.co.th/index.php/th/th-aboutus/supplier-code-of-conduct-th>

- (5) **Community and Society:** The Company, as a Thai Company, continues to be determined to discharge its responsibilities towards the nation, society, and communities. Accordingly, the Company is continuously committed to promoting and supporting beneficial activities towards society, religion, education, and youth by establishing a full-scale foundation under the name, “the Environment for Better Life Foundation” as detailed in Section 3: Driving Sustainable Business Sub-topic 3.4.1 Sustainability management in social dimensions and 3.4.2 Social Performance.
- (6) **Environmental Responsibility:** The Company acts as a good citizen, conscious and aware of being one part of this society. It continues to be determined to discharge its responsibilities towards relevant rules and regulations and support the community surrounding its facilities by eliminating problems and protecting the environment, thus providing better living standards for the communities near its plants. As reflected in its full support for environmental enhancement, the Company has received ISO 14001 certification for Environmental Management System Details shown in Section 3: Driving Sustainable Business Sub-topic 3.4.1 Sustainability Management in social dimensions and 3.4.2 Social Performance.

The Company also has Anti-Corruption operational guidelines in its Code of Conduct and Business Ethics regarding giving and/or accepts Gifts as follows:

#### **Gift giving or receiving**

- (1) The Directors, the management, and employees can give and receive gifts, assets or other benefits for the benefit of the Company’s business and must avoid receiving gifts in a way that exceeds normal relationships from other parties concerning the Company or soon-to-be future partners; such receipts or giving must be done with transparency. It must be done in an open place.
- (2) Avoid receiving gifts either in monetary or non-monetary terms from partners or those related to the Company’s business, except in festivals or according to traditions.
- (3) The Company does not have a policy of offering money, incentives, or gifts. Special benefits in any form to customers, partners, external agencies, or individuals to obtain business, except for traditional business certification, trade discounts, and company promotions.
- (4) The Directors, the management, and employees are responsible for reporting the receipt of gifts, assets or other benefits from partners, contractors, customers or stakeholders of the Company’s business. In any case, it may affect decisions to perform duties in a biased or embarrassing way or cause a conflict of interest.
- (5) The Directors, the management, and employees are responsible for reporting the receipt of gifts, property, or other benefits by the Company to promote to partners, contractors. Customers or stakeholders of the Company’s business and know the policy of receiving gifts, property, or other benefits regularly.
- (6) Gifts, property, or any other benefit accepted or provided shall not be illegal.
- (7) The Company does not prohibit the preparation of gifts with the Company’s emblem, as long as the gifts to the person are reasonable and consistent with business operations. Details are shown on the Company’s website: <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

#### **Provision in Implementation**

##### **Implementation of Anti-Corruption Policy (to interact properly with business partners and the related parties who have conflicts of interest)**

All levels of employees will be responsible for the anti-corruption policy in connection with customers, suppliers, and all parties concerned. (Hereafter called “related parties who have conflicts of interest” who have a direct impact on business operations)

1. The employees must comply with the anti-corruption policy and measures, the Company’s corporate governance principles, and the code of business conduct and hospitality activities from other persons in business dealings with the Company.
2. Employees must not accept gifts, entertainment and hospitality offerings, gifts or entertainment and hospitality activities from other persons in business dealings with the Company, whether directly or indirectly.

3. Employees must not be corrupt or accept corruption in any form in any circumstance related to the business, without otherwise getting prior approval from their direct supervisors. Any acceptance thereof as above from other persons must comply with the Anti-Corruption policy and measures, the Company's corporate governance principles, and code of business conduct and must not have any impact in the business decisions of said employee.
4. Employees must not perform any act to acquire or keep benefits from their positions in the Company or to accept gifts, entertainment and hospitality offerings, gifts or entertainment and hospitality activities from other persons in business dealings with the Company.
5. Whenever the employees advise the personnel of the Company, those actions must not go against the benefits and/or recruitment of the Company or refrain from doing any act to acquire or keep benefits that are against related laws and regulations.
6. There are to be no close relationships between supervisors and those under their supervision within the same departments such as: married couples, parents or offspring that may impose conflicts of interest.
7. Business relations and procurement processes with the public sector or all types of bribery or illegal payments are prohibited in all business transactions, operations, and connections to the government.
8. Corrupt persons who violate or fail to comply with the anti-corruption measures must face punishment under the Company's rules and may also face prosecution if the action violates the law.
9. Employees must be granted approval from their supervisors before offering all types of gifts (such as the Company's products) or entertainment and hospitality activities to other persons or to a business and need to be in compliance with the anti-corruption policy and measures, the Company's corporate governance principles, and code of business conduct. In case of emergency that in any circumstances, employees have not been granted approval from their supervisors in advance, such employees are deemed to get an approval from their supervisors after offering all types of gifts (such as the Company's products) or all forms in any circumstances, to other persons covering the business.
10. The employees must not acquire or take benefits from their positions in the Company to engage in inappropriate relationships, sexual harassment, and other verbal or physical harassment of a sexual nature, any kinds of treatment or consideration of, or making a distinction in favor of or against (such discrimination based on race, sex, disabilities or religious). This also includes burglary, threats, force. or any other kind of action that violates the law.
11. Employees should ask or use request forms to get opinions from their supervisors or responsible persons when the employees face or doubt any act that is considered corruption in order to avoid any arguments.

#### **Dissemination of anti-corruption policies**

In order for everyone in the organization to be aware of the anti-corruption policy, the Company will take the following actions:

1. The Company will post an anti-corruption policy to employees.
2. The Company will publish its anti-corruption policy through its communication channels such as electronic letters, company websites, annual reports, etc.
3. The Company will conduct a regular review of its anti-corruption policy.

#### **Additional practices regarding prevention of corruption**

The Group has an anti-corruption policy focused on promoting morality, ethics, and transparency in business practices in accordance with the Company's business ethics, as well as conducting business with an effective management system, transparent, and verifiable. In addition, the Company encourages its personnel at all levels not to be directly or indirectly involved in corruption and promotes the participation of employees at all levels in preventing and combating corruption related to the Company's business.

The Group has a policy about giving or receiving gifts, gifts, as well as other benefits from individuals or companies engaged in business with the Company so as not to cause conflicts of interest. Any special compensation or incentives of value from third parties with business relevance with employees of the Company must first be approved by direct supervisors. However, receiving such gifts must be in accordance with the rules, business traditions, or business etiquette and must not influence employee business decisions.

In addition, the Group has a policy of not authorizing or encouraging unlawful payments or bribing government agencies, and clearly determines how to report whistleblowers or complaints in cases where unlawful acts are witnessed. The Company also sets out guidelines for conducting investigations and penalties in the Company's anti-corruption policy.

#### 4. Section 4. Information Disclosure and Transparency

The Company is aware of its duty to conduct business in conformity with relevant rules and regulations set by the SEC and the SET as follows:

1. Disclosure of Company information including financial reports is executed accurately, completely and in a timely fashion as reflected in the Annual Report 2021 (Form 56-1 One Report) and other reports, which are carried out in compliance with the guidelines set by the SEC and the SET.
2. A plant visit is provided for interested institutional investors, shareholders, and analysts to access information and have meetings with the management of the Company. In addition, the Investor Relations Unit has been established to be responsible for communicating information to institutional investors, shareholders, analysts, and relevant authorities in an equitably and fair manner.

In 2020-21, the Company held important activities of the Company as follows:

Activities	2020	2021
Analyst Meeting	2	The meeting was not held due to the COVID- 19 pandemic.
Via e-mail/ Telephone	12 times/month	15 times/month
Plant Visit	-	1
Opportunity Day organized by SET	4	4
(visit to see VDO on <a href="http://www.tpipolenepower.co.th/index.php/th/th-investment/oppday-th">http://www.tpipolenepower.co.th/index.php/th/th-investment/oppday-th</a> )		

If investors and stakeholders require additional information, please contact the Investor Relations at 02-213-1039 ext. 12983 and 12988 or <http://www.tpipolenepower.co.th>. Activities can be summarized as follows

Activities	2020	2021
News release / news photo	132	115
Press release / interview	3	5

Activities	2020	2021
- Video Interview	<ol style="list-style-type: none"> <li>1. New Normal is Now /Mr. Pakkapol Leopairut and Dr. Porakrit Leophairatana “Invest in infrastructure” in the program “Newsroom: Economic Newsroom” Thursday September 3,2020 time 11.15-12.20 on Channel 22 <a href="https://youtu.be/aC388AhkCGY">https://youtu.be/aC388AhkCGY</a></li> <li>2. MONEY TALK Special -TPIPP, “waste power plant, good profit, low P/E” – September 11, 2020 <a href="https://youtu.be/XBzs7-Nk0K8">https://youtu.be/XBzs7-Nk0K8</a></li> <li>3. Money Talk Special – “Keep an eye on TPIPP for long-term growth: Southern Seaboard project” – October 9, 2020 <a href="https://youtu.be/CFPy-61HTK0">https://youtu.be/CFPy-61HTK0</a></li> </ol>	<ol style="list-style-type: none"> <li>1. “TPIPP moves forward with cleanenergy” /Than Talk /shown in Thansettakij on January 28, 2021, <a href="https://youtu.be/lm7pkQ_j7Fg">https://youtu.be/lm7pkQ_j7Fg</a></li> <li>2. Business direction of TPIPP in 2021 “Mr.Pakkapol Leopairut, 3rd generation executives of TPI Polene” /MoneyClub Talk via BIZCONNECT Ruthanhun / February 1, 2021 <a href="https://youtu.be/jPqLSIRfY90">https://youtu.be/jPqLSIRfY90</a></li> <li>3. Money Talk Special - “TPIPP, operating results in 2020, forecast for the year 2021” - March 17,2021(interview with Mr.Pakkapol Leopairut) <a href="https://youtu.be/K3C3IDyRilU">https://youtu.be/K3C3IDyRilU</a></li> <li>4. New Mission of New 3rd Generation TPIPP “Waste Energy” Driving Sustainable Organization /Biz Journey Program on PostToday / April 7, 2021 <a href="https://youtu.be/qRD1tot_cN8">https://youtu.be/qRD1tot_cN8</a></li> <li>5. Thai Energy Plentiful on Monday, 4 October 2021 (live interview with Mr.Pakkapol Leopairut via the program ZOOM)</li> </ol>

3. Disclosure of Company information is made through approved communication channels via the SET and the Company’s website in Thai and in English.
4. The Company pays close attention to the quality of the financial information it provides particularly in its accuracy and adequacy. In addition, all financial information conforms to generally accepted accounting principles and is audited by independent auditors. Hence, the Company will provide a report of The Board of Director’s responsibility for financial statements in its Annual Report.
5. The Company disclosed the functions and responsibilities of The Board and Sub- Committees including the number of meetings and meeting attendance of each member in the Annual Report 2021 (Form 56-1 One Report) or other reports.
6. The Company will disclose the remuneration of directors and senior management by considering the Company’s annual performance assessment. This reflects the duties and responsibilities of The Board of Directors and senior management fairly and reasonably towards the Company. The said returns are at an appropriate level that can be compared to that of the company in the same business group.



## 5. Section 5. Responsibility of The Board

The Board plays a key role in supervising corporate governance to create maximum benefits for the Company. Each director represents all shareholders and takes part in promoting good corporate governance within the Company, and in maintaining the rights of, and creating benefits for, all shareholders and other stakeholders. Details as follows:

### 1. Structure of The Board

#### (1) Composition

The Company's Board of Directors comprises at least five directors, of whom three are independent directors. This exceeds one-third of The Board. The Board of Directors of at least half of a total number of directors must have permanent residence in Thailand and those directors may or may not hold shares in the Company.

#### (2) Qualifications of the Company's Directors

The Company's Board of Directors comprises qualified members who have skills, experience, honesty, ethics, and independence. They have capabilities in diverse fields, pertinent to the Company's businesses and, accordingly, can safeguard the interests of all shareholders.

In addition, all Directors are aware of their duties, responsibilities, and nature of the Company's businesses. They perform their duties with honesty and prudence, and regularly update themselves on new knowledge. Directors attend each Board meeting with full responsibilities.

#### (3) Definition of the Independent Director Qualification

The Board of Directors has defined the qualification of Independent Directors in line with the requirements of the Thai Capital Markets Supervisory Board and SET.

#### (4) Segregation of the Power of the Chairman of The Board and the President

The Company's Board is well organized to ensure there is clear distinction between supervision, policy-making, and day-to-day business administrative roles. The positions of the Chairman of The Board and the President are separated. This ensures separation between governing and managing duties.

#### (5) Chairman of The Board

In addition, the Chairman's leadership plays a key role in ensuring The Board's efficiency and the Shareholder's meeting promotion to be in compliance with good corporate governance as the listed Company.

#### (6) Corporate Secretary

A knowledgeable and experienced Corporate Secretary to The Board serves as an advisor to The Board regarding pertinent laws, relevant rules and regulations, and monitors compliance of The Board's actions on a regular basis. In addition, the Secretary is also responsible for assisting in Board activities and coordinating with other relevant functions to comply with The Board's resolutions and good corporate governance principles.

### 2. Sub-Committee:

The Board of Directors has appointed Directors who have knowledge and skills suitable to be members of Sub-Committee to assist in important matters. The Sub-Committee consists of the Management Committee and the Audit Committee.

The Management Committee is composed of members who are knowledgeable, capable, ethical, and experienced in the business. They manage functions and undertake acts in relation to the day-to-day management of the Company.

The Audit Committee consists of three Independent Directors. Members' qualifications meet the requirements stipulated in the relevant Thai Capital Markets Supervisory Board and SET announcements. The Committee is assigned to perform checks on management and secure the balance of power in various business activities to ensure reliability and integrity and serving the best interests of all stakeholders at all times.

In addition, at the meeting of The Board of Directors on October 29, 2021, they considered the establishment of the Nomination Committee and the Company's Remuneration Committee by unanimous approval that all directors shall perform the duties of the Nomination Committee and the Remuneration Committee together.

### **3. Roles, Duties and Responsibilities of The Board**

#### **(1) Good Corporate Governance and the Code of Business Conduct:**

The Board of Directors values good corporate governance and maintains high standards of integrity and ethics. All Directors have responsibilities in carrying out their duties and are held accountable to the Company and its stakeholders. They perform their duties with integrity, in compliance with the governing laws and regulations of the Company and based on professional standards. The Company conducts business in a transparent, honest, and fair manner for the interests of all groups of stakeholders.

The Company also issued a Code of Business Conduct for its Board, Management, staff, and all employees. These principles are strictly followed, together with the Company's rules and regulations, as detailed in Section 3: Stakeholder Roles.

#### **(2) Conflict of Interest:**

The Board has a clear policy to execute transactions which have potential conflicts of interest in a manner that is in the best interests of the Company and its shareholders. Transactions between the Company and anyone with which a possible conflict of interest might require approval under the rules and regulations imposed by the Thai Capital Markets Supervisory Board, the SEC and the SET concerning information disclosure and undertaking of the listed Company regarding connected transactions. In addition, such transactions are subject to an approval process in which only unconnected persons may participate.

Details of connected transactions that may involve conflicts of interest (according to criteria of the Thai Capital Markets Supervisory Board, the SET, and the SEC) must be disclosed in the Company's Annual Report; in the Annual Report form (Form 56-1) or declared in other reports (as the case may be). This also includes disclosure of information on connected transactions according to the general accepted accounting standard criteria. Details of connected transactions are disclosed in the section "Inter- Company Transactions".

In addition, pursuant to the Articles of Association, Directors shall notify the Company without delay of their interests in any contract executed with the Company or affiliated companies, and of their holding, and its increase or decrease, of shares or debentures of the Company.

#### **(3) Internal Control and Internal Audit:**

The Board employs an appropriate, and effective, internal control system to ensure Management prevents and mitigates business risks and produces accurate and reliable financial statements.

To protect the assets of the Company and shareholders' investments from potential loss, an internal audit unit has been set up as a separate division, responsible for auditing and monitoring the Company's operations for efficiency and effectiveness under a sufficient and appropriate internal audit system. The internal audit unit is independent and able to report its resultant audit openly. This allows management to be notified of problems and irregularities in a timely manner and to be able to establish measures to safeguard the Company's assets and shareholders' investments against fraud in the Company or its subsidiaries. This can also be applied to improve and develop the efficiency and effectiveness of the Company's operations.

In addition, an Audit Committee has been appointed to review and evaluate internal control systems, to examine disclosure and assessment of all relevant information for investors, and to ensure that the Company performs in compliance with regulations and governing laws.

Five aspects of the sufficiency of the internal control systems of the Company and its subsidiaries were evaluated. These were: the organization and environmental control system; the risk management system;

management control system; the information and communication system; and the monitoring system.

In addition, the Company and its subsidiaries have policies and measures in place to regulate business transactions with major shareholders, directors, and management or connected persons so as to avoid conflicts of interest, in order to pursue the best interests of all parties concerned.

#### 4. Meetings of The Board:

The Company arranges regular meetings of The Board at least once a month, and may hold special meetings as deemed appropriate, to continuously supervise management operations. The time allowed for each meeting is sufficient for The Board to consider all related matters. The Chairman and the President jointly establish and approve meeting agendas to ensure that all material issues are fully considered by The Board. Each Director may independently propose agenda items and freely expresses opinions. At meetings, Directors are encouraged to use discretion to consider all raised issues.

The Company convenes each meeting in compliance with the provisions of the Public Company Act. The minutes of each meeting are properly documented, are certified by The Board and are systematically filed under tight security.

#### 5. Remuneration of Directors and Management

The Company rewards its directors fairly and reasonably, taking into account directors' responsibilities and the Company's operating results. Directors' remuneration has been approved at the shareholders meeting.

The Company fairly remunerates its Management, considering their responsibilities, performance, the operating results of the Company, and comparability within the same field of business.

#### 6. Training of Directors and the Executive

The Company continuously builds the corporate governance knowledge of its directors and management so they may carry out their business operations in compliance with good corporate governance principles. The Company supports all directors to participate in training courses organized by the Thai Institute of Directors Association ("IOD"), to add to their knowledge concerning their roles in the Company and apply such learning to their job performance.

## 6.2 Code of Conduct

The Company aims to conduct business according to the Corporate Governance Policy and Code of Conduct of the Company and is determined to promote the firm to be an organization that does business with transparency, ethics, and responsibility for shareholders and stakeholders.

The Board of Directors is determined to conduct business according to good corporate governance practices, focusing on justice, transparency, fairness, responsibility for society, culture, and the environment, together with building sustainable development for all staff, customers, the community, and all stakeholders.

### **"Transparent Thailand where all citizens live happily"**

The Company's Board of Directors specifies principles of good corporate governance for The Board, management, and all employees of the company as follows:

- (1) Directors hold on to the principles of universal corporate governance and are determined to continuously improve good corporate governance i.e., shareholders rights, equitable treatment of shareholders, shareholder roles, information disclosure and transparency, and responsibilities of The Board.
- (2) Directors, management, and staff concentrate to apply the Principles of Corporate Governance i.e., creation of shared value, responsibility, equitable treatment, accountability, transparency, and ethics (C.R.E.A.T.E.) to use as a guideline to conduct business and to strictly abide by laws and related regulations of invested countries.

- (3) Directors establish the management structure to treat directors, management, and shareholders with fairness, and consider policy, vision, work plans and key strategies, and supervise and monitor business operations, and ensure appropriate risk management. They are independent and responsible for business operations to conform to good corporate governance by being an ethical leader and a good example to follow the Corporate Governance and Code of Conduct as well as promote the culture of corporate governance. They are responsible for all related stakeholders and to promote human rights, consumer rights, and fair labor as well as to establish a system to follow up, evaluate, and review for all employees to practice corporate governance in a complete and sustainable manner.

In addition, the Company makes a written announcement of a Code of Conduct for all stakeholders with shared values principles between the Company and stakeholders. Top management is responsible for the participation of all stakeholders and improves communication channels to continuously allow for the expression of opinions to the responsible business units. The Company has a strict policy to treat all stakeholders fairly including shareholders, customers, employees, trade partners, competitors, communities, and society. The management and employees put the Code of Conduct into practice, so they clearly understand how to fairly treat shareholders, trade partners, and customers, etc.

### **Code of Conduct**

TPI Polene Power Public Company Limited is committed to operating the business to prosper, based on a Code of Conduct and being responsible to all stakeholders. Therefore, the Company has prepared this Code of Conduct Manual which is a collection of policies, responsibilities and treatment of stakeholders as well as principles of business operations of companies that adhere to international standards. It is distributed to the directors, executives and employees of the Company so they are aware of the guidelines set forth in this Code of Conduct for the operation of the Company and to achieve business goals while reflecting corporate values and culture at the same time. The Company also hopes other companies that do business with the Company and all relevant stakeholders have been informed and adhere to the same principles for sustainable growth together.

Code of Conduct of the Company covers the following topics:

1. Respecting and complying with relevant laws, rules, and regulations
2. Anti-Corruption Practices
3. Conflict of Interest and conflicts of interest business ethics
4. Use of inside information and data retention secret
5. Internal Control / Internal Audit /risk management and accounting/financial reports
6. Receiving and giving gifts, assets, or any other benefits
7. Procurement and treatment of partners
8. Intellectual Property use of information technology and communication
9. Political Rights and Neutrality
10. Employee Code of Conduct
11. Receiving complaints/complaints/suggestions/channels for whistleblowing causing damage to the company and protection of the rights of whistleblowers
12. Responsibility to Stakeholders
  - 12.1. Treatment of Shareholders
  - 12.2. Treatment of customers
  - 12.3. Treatment of partners
  - 12.4. Treatment of Competitors
  - 12.5. Treatment of creditors
  - 12.6. Treatment of the Government Sector

- 12.7. Treatment of employees
- 12.8. Treatment of community, society, and environment
- 12.9. 12.9 Quality Priority
- 13. Compensation practices if stakeholders are damaged from infringement

#### **Compliance with the Code of Business Conduct**

In case of doubt or having difficulty making decisions or following the Code of Conduct not specified, please use primary judgment by asking questions about the action with yourself before termination of the operation as follows:

1. Is the action against the law?
2. Is the action against the policy and corporate culture?
3. Is the action acceptable and can it be disclosed to society or not?
4. Does the action cause the damage to the reputation and the image of the company or not?
5. Does the action seriously harm the stakeholders of the Company or not?

\*\* or ask the supervisors in the hierarchy which is responsible for giving advice at the beginning or asking directly to the agency responsible for that matter

Details and guidelines for compliance with the Company's Code of Conduct (Code of Conduct) were published on the company's website for stakeholders and the public to be informed at <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

## **6.3 Significant changes and developments of policies of Best Corporate Governance Practices and Systems in the previous year**

### **6.3.1 Significant changes and developments regarding policy review Guidelines and Good Corporate Governance System or Charter of The Board of Directors in 2021 are as follows:**

- 1) Define and review policies and practices in 2021 as follows:
  - Issue compliance policies for applicable legal regulations, including complaints and protection policies.
  - Publish the CG & Code of Conduct guide on the Company's <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>
  - The Board of Directors shall be the nomination committee and the remuneration committee as convened the meeting on October 29, 2021.
- 2) Compliance
  - Issue relevant legal and regulatory policies, including fair competition support and antitrust trade policy, by handing out manuals, partner ethics for procurement (details and compliance with the Partner Code of Conduct for procurement, and ethics). The Company has published on its website to inform stakeholders and the public on <http://www.tpipolenepower.co.th/index.php/th/th-aboutus/supplier-code-of-conduct-th>

- Privacy Policy to support the enforcement of the Personal Data Protection Act B.E. 2562 (2019) and providing training to the Management and media via email to employees and planning operations with other relevant agencies to manage the Company's personal data, to support fair competition and antitrust trade.

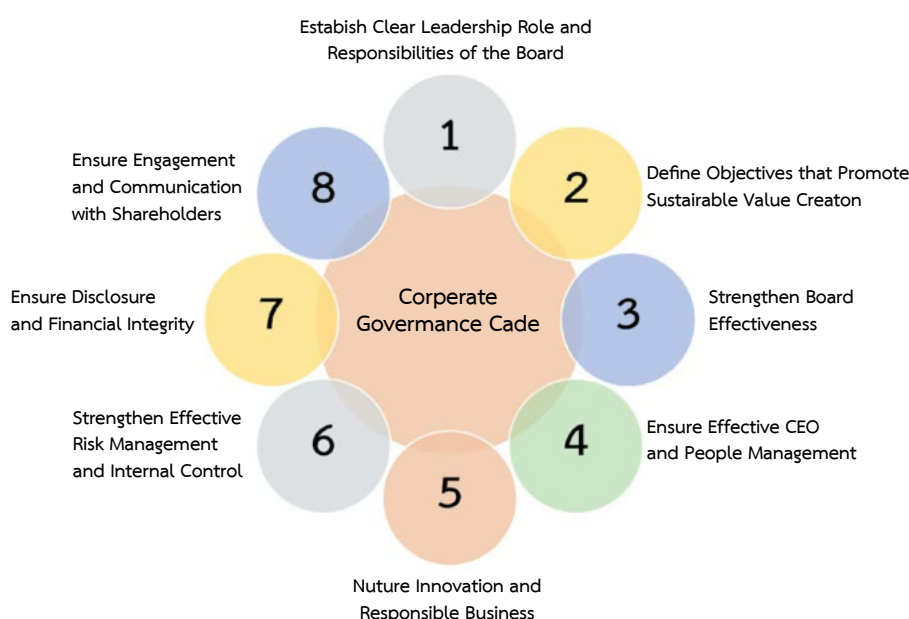
The Company has published this policy on its website to keep stakeholders and the public informed at <http://www.tpipolenepower.co.th/index.php/th/th-aboutus/pdpa>

- Provide educational materials to employees via email / LINE application and in-house posts

### 6.3.2 Adoption of good corporate governance principles for 2017 listed companies (CG Code) of the SEC

The Company reviewed the Corporate Governance Policy by referring to the Corporate Governance Principles (CG Code) for Listed Companies 2012 of the Stock Exchange of Thailand and the CG Code 2017 of the Securities and Exchange Commission whose most of the practices the company has adhered to.

At present, The Board of Directors has considered applying CG Code 2017 issued by the SEC with consideration and awareness to the role of the leader of the organization (Governing Board). The Company takes into account the Code of Conduct thoroughly and understands the benefits and importance of implementing the CG Code, which emphasizes the integration of social, environmental and corporate governance issues to create value for businesses for sustainable development. It consists of 8 main categories as follows:



#### Principle 1

Establish Clear Leadership Role and Responsibilities of The Board

##### Principle 1.1

The Board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance, including:

- (1) defining objectives.
- (2) determining means to attain the objectives; and
- (3) monitoring, evaluating, and reporting on performance.

##### Principle 1.2



To achieve sustainable value creation, The Board should exercise its leadership role and pursue the following governance outcomes:

- (1) competitiveness and performance with long-term perspective.
- (2) ethical and responsible business.
- (3) good corporate citizenship; and
- (4) corporate resilience

#### **Principle 1.3**

The Board should ensure that all directors and executives perform their responsibilities in compliance with their duty of care and duty of loyalty, and that the company operates in accordance with applicable law and standards.

#### **Principle 1.4**

The Board should demonstrate a thorough understanding of the division of board and management responsibilities. The Board should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties.

### **Principle 2**

Define Objectives and Central Ideas that Promote Sustainable Value Creation

#### **Principle 2.1**

The Board should define objectives that promote sustainable value creation for the business, customers, stakeholders, and society as a whole, and governance outcomes as a framework for the operation of the company

#### **Principle 2.2**

The Board should ensure that the Company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilising innovation and technology effectively.

### **Principle 3**

Strengthen effective board members (Effectiveness)

#### **Principle 3.1**

The Board should be responsible for determining and reviewing The Board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the company's objectives.

#### **Principle 3.2**

The Board should select an appropriate person as the chairman and ensure that the Board composition serves the best interest of the company, enabling the Board to make its decisions as a result of exercising independent judgement on corporate affairs.

#### **Principle 3.3**

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.

#### **Principle 3.4**

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.

#### **Principle 3.5**

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.

#### **Principle 3.6**

The Board should ensure that the company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate.

#### **Principle 3.7**

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.

#### **Principle 3.8**

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.

#### **Principle 3.9**

The Board should ensure that it can perform its duties effectively and have access to accurate, relevant, and timely information. The Board should appoint a company secretary with necessary qualifications, knowledge, skills, and experience to support the Board in performing its duties.

### **Principle 4**

Ensure Effective CEO and People Management

#### **Principle 4.1**

The Board should ensure that a proper mechanism is in place for the nomination and development of the chief executive officer and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the company to achieve its objectives.

#### **Principle 4.2**

The Board should ensure that an appropriate compensation structure and performance evaluation are in place.

#### **Principle 4.3**

The Board should consider its responsibilities in the context of the company's shareholder structure and relationships, which may impact the management and operation of the company.

#### **Principle 4.4**

The Board should ensure the company has effective human resources management and development programmes to ensure that the company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

### **Principle 5**

Nurture Innovation and Responsible Business

#### **Principle 5.1**

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.

#### **Principle 5.2**

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.

#### **Principle 5.3**

The Board should ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the company to meet its objectives.

#### **Principle 5.4**

The Board should establish a framework for governance of enterprise IT that is aligned with the company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the company's objectives.

### **Principle 6**

Strengthen Effective Risk Management and Internal Control

#### **Principle 6.1**

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.

#### **Principle 6.2**

The Board shall establish an audit committee that can act effectively and independently.

#### **Principle 6.3**

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.

#### **Principle 6.4**

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.

#### **Principle 6.5**

The Board should establish a mechanism for handling complaints and whistleblowing.

### **Principle 7**

Ensure Disclosure and Financial Integrity

#### **Principle 7.1**

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.

#### **Principle 7.2**

The Board should monitor the company's financial liquidity and solvency.

#### **Principle 7.3**

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.

#### **Principle 7.4**

The Board should ensure sustainability reporting, as appropriate.

#### **Principle 7.5**

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).

#### **Principle 7.6**

The Board should ensure the effective use by the company of information technology in disseminating information.

### **Principle 8**

Ensure Engagement and Communication with Shareholders

#### **Principle 8.1**

The Board should ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.

#### **Principle 8.2**

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.

#### **Principle 8.3**

The Board should ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

In 2021, there was a matter under consideration to determine appropriate replacement measures as follows:

The Board of Directors has not set a policy limiting the number of years in the tenure of independent directors because the Company has considered knowledge, competence, and experience. The duties of each independent director that benefit all stakeholders and benefit the Company's business operations, based on the performance of each Independent Director' position, can be independent and without conflicts of interest, and considering the Company's current business structure, continuing to hold positions should be beneficial to the Company's business operations.

However, the Company acts in accordance with non-legal practices and in accordance with the corporate culture of the Company and the Company has determined that such actions do not affect the qualifications of the director's independence.

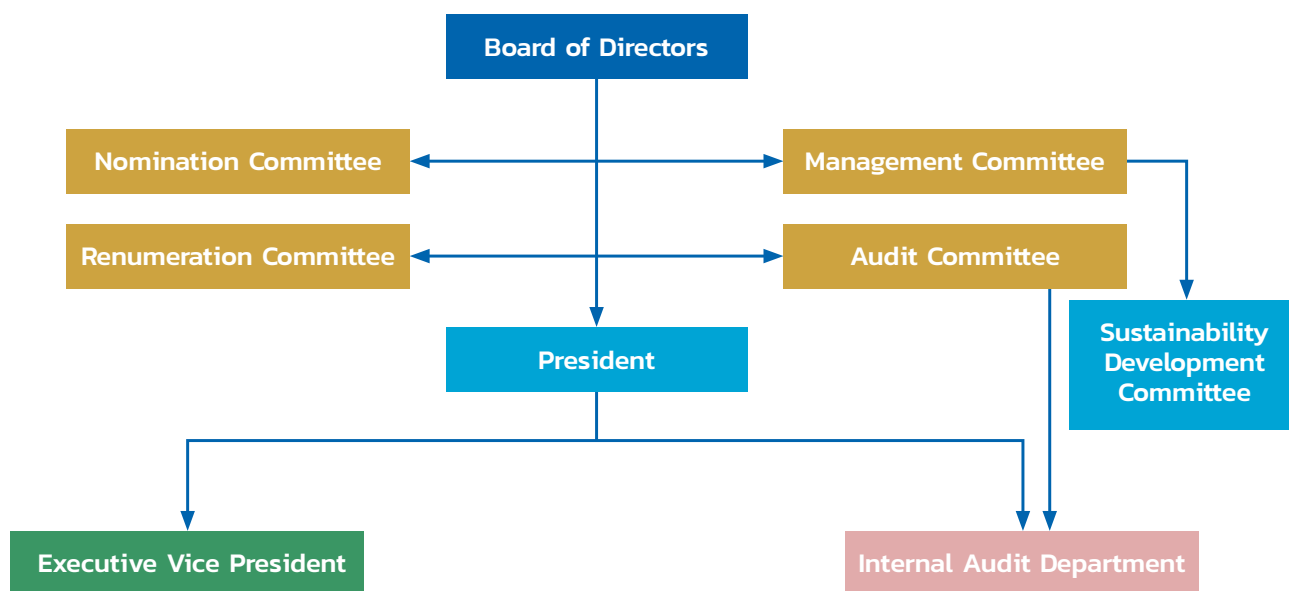
### **6.3.3 Conducting good corporate governance principles in other matters**

In June 2021, the Company submitted the assessment information and CGR Checklist 2021 to the Thai Institute of Directors Association (IOD).

The Company's Corporate Governance Survey of the Thai Institute of Directors Association (IOD), based on the 2021 Survey and Supervision of Listed Companies as a whole, the Company was appraised at "good" level and received an overall average score and category of 73% based on a total survey of 716 companies and the survey was based on data disclosed by the Company in 2021. The Company has a good practice in accordance with the criteria for the survey of the Thai Registered Corporate Governance Program for the year 2021.

## 7. Corporate Governance Structure and key information about The Board of Directors, Sub-Committees, the Management, employees etc.

### 7.1 Corporate Governance Structure



As at December 31, 2021, the management structure of the Company consists of the Board of Directors, which comprises four Committees: the Executive Management, the Audit Committee, Nomination Committee, and Remuneration Committee.

The Board of Directors' Meeting No. 10/2021 on October 28, 2021 resolved to appoint the Nomination and Remuneration Committees in order to comply with the principles of good corporate governance by the entire Board of Directors together with the consideration, in which the Company has established the principles of determining the remuneration of directors of the Company by holding the criteria for determining the remuneration of directors in accordance with the same guidelines as public limited companies on the SET, comparing and referring to the same industry and similar size in return for the performance of duties, motivating qualified personnel, and having the knowledge, competence, skills and experience to maximize the Company's business success. In addition, the Company has established criteria for the selection and appointment of the management, including the payment of compensation in accordance with the criteria held by large companies on the stock exchange of Thailand.

In this regard, the Sustainability Development Committee is appointed by the Management Committees to perform the following duties and responsibilities:

1. Set policies, strategies, frameworks to implement strategies and consider selecting issues that promote the sustainable development of the organization, as well as set sustainability development goals in line with business operations in the economic, social and environment dimensions to be presented to the Management Committees for approval.
2. Supervise, review, and monitor the progress of the actions and evaluate the effectiveness of the implementation of the sustainability policy.
3. Encourage action and engage in projects within the framework for Sustainable Development with related parties both inside and outside the organization.
4. Provide advice, and promote and support having the right resources and personnel in order to implement sustainable development strategies throughout the organization and be aligned in the same direction.

5. The Chairman of the Sustainability Development Committee has the power to appoint subcommittees or working groups to be responsible for the implementation of sustainable development in each area in order to be comprehensive and in line with key aspects of the organization.
6. Report on the performance of the preparation of sustainability reports to senior management

The list of sustainability development committees and responsibilities can be found on the Company's website at <http://www.tpipolenepower.co.th/index.php/th/th-aboutus/boardrd-mgt/esg-board>

## 7.2 Information of The Board of Directors

### 7.2.1 Composition of The Board of Directors

As of December 31, 2021, The Board of Directors of the Company comprises 15 persons as follows:

- Six non-executive directors, representing 40.00% of total directors
- Five Independent Directors, representing 33.33% of total directors
- Nine Executive Directors, representing 60.00% of total directors
- Four female Directors, representing 26.67% of total directors
- Eleven Male Directors, representing 73.33% of total directors

The Board of Directors consists of directors who have a wide range of qualifications in terms of experience skills, and each has morality, ethics, and independence, and specialized capabilities that benefit the Company and can take care of the overall interests of shareholders. In addition, all directors have an understanding of the Company's responsibilities and business characteristics and act with integrity and careful care whereas their knowledge is constantly updated, and sufficient time has been devoted to fulfilling its full responsibilities.

The Board of Directors has established the qualifications of independent directors in accordance with the rules and regulation imposed by the SEC and the SET.

### 7.2.2 Information of The Board of Directors and the Controlling persons

As of December 31, 2021, The Board of Directors of the Company comprised 15 directors as follows:

Name	Position
1. Mr. Prachai Leophairatana	Chairman
2. Dr. Pramuan Leophairatana	Vice Chairman
3. Mrs. Orapin Leophairatana	Vice Chairman
4. Mr. Prayad Liewphairatana	Director
5. Miss Pattrapan Leopairut	Director
6. Mr. Pakorn Leopairut	Director
7. Mr. Pakkapol Leopairut	Director
8. Ms. Nitawan Leophairatana	Director
9. Ms. Malinee Leopairut	Director
10. Dr. Porakrit Leophairatana	Director
11. Mr. Manu Leopairote	Independent Director; Chairman of the Audit Committee
12. Mr. Thiraphong Vikitset	Independent Director; Chairman of the Audit Committee



Name	Position
13. Mr. Abhijai Chandrasen	Independent Director; Chairman of the Audit Committee
14. Mr. Khantachai Vichakkhana	Independent Director
15. Mr. Wanchai Manosooti	Independent Director

All Directors of the Company have participated in at least one training course organized by the Thai Institute of Director Association: The Directors Certification Program (DCP) or the Directors Accreditation Program (DAP).

### 7.2.3 Functions and Responsibilities of the Board of Directors

#### Authority of the Board of Directors

The Company must manage the business operations of the Company to be in compliance with governing laws, objectives, and resolutions of the shareholders' meeting. In addition, the Board of Directors of the Company is committed to conduct its business operations in compliance with corporate governance rules and regulations. It has functions and responsibilities to approve the following:

1. To carry out activities prudently and in compliance with related governing laws, the objectives of the Company, and the Articles of Association, in order to protect the Company's interests and for the benefit of shareholders.
2. To consider policy, vision, work plans and key strategies, as well as ethical standards for business operations, and to supervise and monitor Management, to ensure that they perform duties efficiently and are in compliance with the Company's policies.
3. To monitor the operational results of the Company and any other key progress criteria.
4. To determine interim dividends to shareholders.
5. To ensure that financial reports are complete, accurate, reliable, and timely, and are prepared in compliance with generally accepted accounting principles.
6. To monitor the implementation of internal control and audit systems; to comply with all regulations and related governing laws; and to ensure appropriate risk management.
7. To ensure that the Company performs in compliance with good corporate governance policies, and focuses on fair treatment for all related parties, and discloses all relevant information that might affect the interests of related parties and the public.
8. To monitor and to prevent conflicts of interest and ensure that connected transactions and any other transactions that might affect the interests of related parties are in compliance with related rules and regulations.
9. To consider the nomination of qualified persons to perform the duties of directors.
10. To consider the need and appropriateness to determine remuneration to directors.

#### Authorized Director

"Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mrs. Orapin Leophairatana, Mr. Prayad Liewphairatana, Miss Pattapan Leopairut, Mr. Pakorn Leopairut, Mr. Pakapol Leopairut, Mrs. Nitawan Leophairatana and Dr. Porakrit Leophairatana, two directors of which signing jointly with Company seal affixed."

#### Independence of The Board of Directors

At present, The Board of Directors consists of 15 directors, five of whom are independent directors and constitute one-third of the total number of directors of the Company, which is in compliance with the Notification of the Capital Market Supervisory Board No. TorChor.39/2559 Re: Application for and Approval of Offer for Sale of Newly Issued Shares. The SET recommended practices and principles of good corporate governance prescribe, however, that if the Chairman of The Board of Directors is not an independent director, then the number of independent directors should be more than one-half of the total number of directors.

The Company is of the view that the transparency of the structure of its Board of Directors sufficiently safeguards the interests of the shareholders and the Company. This is because the Board of Directors comprises five independent directors, all of whom, including the Audit Committee members, are third parties who possess the knowledge, capability, and experience that are beneficial to the business operations of the Company, and who are impartial and have no conflicts of interest with the major shareholders of the Company.

Moreover, after becoming listed on the SET, the Company must comply with the rules and regulations prescribed by the SEC Office, the Capital Market Supervisory Board, and the SET, such as the regulations governing connected transactions and the acquisition and disposal of assets. These regulations require that matters of material importance shall be approved at a shareholders' meeting, and that the opinion of the Audit Committee, to the extent that it differs from that of The Board of Directors, shall be reported to the shareholders. In such a case, the Audit Committee acts as the representatives of the minority shareholders of the Company. As such, as shareholders would be informed of the opinion of the Audit Committee, they would receive adequate information to enable them to make decisions on agenda items.

In addition, all of the directors have the duty to comply with all relevant laws such as the fiduciary duty under the SEC Act, the Public Limited Company Act, as well as the various policies of the Company, including the Company corporate governance policy and Code of Conduct, which prescribe that all directors and persons related to the business operations of the Company have the duty to comply with all relevant laws and policies in order to maximize the benefits for the shareholders of the Company.

#### **The actions of the Board of Directors that must be approved by the Shareholders' Meeting**

1. Entering into the inter-company transactions or acquisition or disposition of the Group's significant assets or any other action as announced by law and the Capital Markets Committee.
2. Sale or transfer of all or part of the Company's business to another person
3. Amendments to the Memorandum of Association or Articles of Association of the Company.
4. Increase or decrease the Company's registered capital
5. Dissolution of corporations or mergers with other companies
6. Issuance of debentures of the Company

#### **Roles and Responsibilities of the Chairman of the Board of Directors**

To ensure the separation of authority in terms of policymaking and management of the Company is clearly separate. Therefore, the Company requires that the Chairman of the Board of Director, the Chairman of the Executive Board and the President are different persons, with the Chairman of the Board of Directors has role and responsibilities as follows:

1. Call the Board of Directors' Meeting and act as the Chairman of the Board of Directors' meeting and the Shareholders' Meeting, as well as play a role in setting the agenda with the Chief Executive.
2. Play a role in controlling meetings effectively in accordance with rules and regulations of the Company, support and allow directors to express their opinions independently.
3. Support and encourage the Board of Directors to perform duties to the best of their abilities in accordance with the scope of authority, duties, responsibilities under good corporate governance principles.
4. Monitor and follow up the administration of The Board of Directors and other sub- committees to achieve the intended objectives.
5. Being the decisive voter in the event that the Board of Directors meeting has the vote and votes on both sides are equal. (Details are provided on the Company's website <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/roles-of-the-chairman>)

### **7.2.4 Nomination and appointment of directors and sub-directors and presidents**

#### **1) Nomination and appointment of the directors of the Company**

The Company's Board of Directors comprises qualified members who have skills, experience, honesty, ethics, and independence and have capabilities in diverse fields, pertinent to the Company's businesses and the

appointment of new directors must be approved at the Board of Directors Meeting and/or the Shareholders' Meeting (as the case may be). The shareholders' meeting shall be elected the directors according to the following guidelines and procedures:

- (1) To assume that one shareholder has the same vote as 1 share per 1 vote.
- (2) Each shareholder can use all available votes according to (1) elect a single person or multiple persons as directors. In the event of an election of several individuals as the directors, votes cannot be divided into anyone.
- (3) The person receiving the highest number of votes respectively will be elected as a director as much as the number of directors who will have or will be elected at that time. In the event that the person who is elected in the next order has the same votes and exceeding the number of directors who should have or will be elected at that time, the Chairman of the Board will be the decisive voter.

At every annual ordinary meeting of shareholders, the directors shall be removed from their positions for one-third of the number of directors at the time. If the number of directors can't be divided into three parts, the number issued by the closest number to one-thirds, considering the longest-in-position director is the one who leaves the position. Thus, departing directors may be re-elected by the shareholders' meeting to become new directors.

In the event that the director's position is vacated for reasons other than the term of issue under the term, The Board of Directors shall select a qualified person and does not have a prohibited nature under the law on public limited companies and the law on Securities and Exchange to be a replacement director at the next board meeting unless the term of the director is less than two months. The person who becomes the director only as much as the remaining term of the director he replaces. However, the resolutions of the Board, as mentioned above, must consist of at least three-fourths of the remaining number of directors.

## **2) Nomination of independent directors**

The Company has a policy of nominating independent directors in accordance with the Announcement of the Capital Market Supervisory Board No. 39/2016. Re: Permission and Authorization for IPO issuance, dated September 30, 2016 (including amended) as follows:

1. Are restricted in the number of shares they may hold to not greater than 1% of the voting shares in the Company, its affiliates, its associated companies, or its juristic persons that may impose conflicts of interest.
2. Have no management participation in the Company, its affiliates, and are not employees or regularly paid consultants, or persons, who have control over the Company or its associated companies, its affiliates, or its associated companies or is the same order as a major shareholder or of control over the Company, unless it has been removed from such positions at least two years prior to the date of appointment as audit committee member. Such prohibited characteristics do not include cases where independent directors have been officials or advisors of government offices that are major shareholders or controlling persons of the Company.
3. Have no close relatives, or persons related in a way by legal registration in a manner that is a parent, spouse, siblings, and children, as well as spouses of children of other directors, the management, major shareholders, controlling persons, or persons who will be proposed as the directors, the management or controlling authorities of the Company or its subsidiaries.
4. Have no business relationship with the Company, its affiliates, or its associated companies, major shareholders or controlling persons of the Company in a manner that may impede the use of their independent judgment, including not being or have been an implicit shareholder or controlling person of a person with a business relationship with a company, a major company, a subsidiary unless it has been removed from such positions at least two years prior to the date of filing an application for permission to the SEC.

Such business relationships include commercial transactions that are normally conducted for business operations as well as renting or leasing a property, assets or services transaction, or providing or receiving financial assistance by receiving or lending guarantees, provision of assets as collateral for liabilities, as well as other similar circumstances, which results in the Company or its parties having to pay debts to the other party, from 3% of net tangible asset of the Company or Baht 20 million or more, whichever is lower. The calculation of such debt obligations is based on value of connected transactions to comply with criteria as announced by the Capital Market Supervisory Board on for connected transaction. However, such debt obligations include those incurred during the year prior to the date of business relationship with the same person.

5. Not being or used to be an auditor of the Company, mother company, a subsidiary, associates, major shareholders or controlling persons of the Company and are not implicit shareholders, the supervisor or partner of the audit office, which the auditor of the Company, mother company, a subsidiary, associates, major shareholders or controlling persons of the Company unless it has been removed from such positions at least two years prior to the date of filing an application for permission to the SEC.
6. Not being or used to be a professional service provider, including providing services as legal advisors or financial advisors, which receive service fees in excess of Baht 2 million per annum from the Company, mother company, a subsidiary, associates, major shareholders or controlling persons of the Company and are not implicit shareholders unless it have been removed from such positions at least two years prior to the date of filing an application for permission to the SEC.
7. Not being a director appointed to represent by the Directors of the Company, major shareholders or shareholders who are related to major shareholders.
8. Not to operate a business of the same condition and be in material competition to the business of the Company or its subsidiaries, or not to be a partner that is materially in a partnership or as a director who is involved in the management, staff, or a consultant, who receives regular salaries or holds more than 1% of the total voting shares of other companies, which operate in the same condition and are in material competition with the Company's business or its subsidiaries.
9. There are no other positions that prevent them from giving an independent opinion on the Company's operations.

### **3) General guidelines for the appointment of directors on the Company's sub- committees**

The Board of Directors may appoint one or more sub-committee members to support the performance of the Board of Directors. The sub-committee is responsible for reviewing matters of particular importance. The Board of Directors will approve the appointment of sub-committee members, issuance of sub-committee charters to determine the relevant regulations, composition of the sub-committee, duties, and responsibilities, as well as other matters related to such sub-committees, as deemed appropriate by The Board of Directors. Each year the Board of Directors will review the charter of each sub- committee.

### **4) General criteria for appointing the President and Executives and remuneration**

The Management Committee is responsible for the selection and appointment of top management. Members of the Management Committee will first consider recruiting qualified persons who have the knowledge, as well as the appropriate qualifications, skills, and experience which are deemed beneficial to the Company's operations prior to submission of the name of the qualified persons to the Company's Board of Directors for approval. In addition, the Board of Directors is responsible to determine the organization structure, a management plan, a succession plan, manpower, and criteria for remuneration, as well as assessment of the Management's performance.

## 7.3 Information about Sub-Committees

The Sub-Committees consist of the following:

### 7.3.1 Audit Committee

As of December 31, 2021, the Audit Committee is comprised of three directors as follows:

Name	Position
1. Mr. Manu Leopaiprote	Chairman of the Audit Committee
2. Dr. Thiraphong Vikitset	Member of the Audit Committee
3. Dr. Abhijai Chandrasen	Member of the Audit Committee

Ms. Weeranuch Khimkhum has been appointed as a secretary to the Audit Committee.

Dr. Thiraphong Vikitset has a background and experience in the accounting and finance field, which are adequate to be responsible for reviewing the reliability of financial statements of the Company. Dr. Thiraphong Wikitsait holds a bachelor's degree of Science in Chemical Engineering and a Ph.D. in Economics from West Virginia University.

#### Functions and Responsibilities of the Audit Committee

The Audit Committee is responsible for reviewing the Company's financial report, the adequacy of internal control systems, the risk management system, and compliance with relevant laws, rules, and regulations. In addition, the Audit Committee has to prepare a report or provide its opinion to the Board of Directors or the Company's shareholders (as the case may be) as the following:

1. To review the financial reporting process to ensure that the Company's financing reporting is accurate and adequate;
2. To review the internal audit systems and ensure that the Company has adequate internal controls;
3. To ensure that the Company has duly complied with the laws on securities and exchange, SET regulations, and laws relating to its business;
4. To consider, select, and nominate an independent auditor, to propose the independent auditor's remuneration, and to attend a non-management meeting with the independent auditor at least once a year;
5. To review connected transactions and transactions that may lead to conflicts of interests to ensure that they are in compliance with laws and SET regulations, and that they are reasonable and for the Company's highest benefit;
6. To prepare, and to disclose the Company's annual report, an audit committee's report which must be signed by the chairman of the audit committee and consist of at least the following information:
  - an opinion on the accuracy, completeness, and creditability of the financial report;
  - an opinion on the adequacy of the internal control systems;
  - an opinion on the compliance with the law on securities and exchange, SET regulations, or the laws relating to the business;
  - an opinion on the suitability of an auditor;
  - an opinion on transactions that may lead to conflicts of interest;
  - the number of the audit committee meetings, and the attendance of such meetings by each committee member;
  - an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter; and

- other transactions which, according to the audit committee's opinion, should be known to the Company's shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors;
7. In performing its duties as the Audit Committee, if suspicious cases such as the following are found, which might have significant effects on the financial status and performance of the Company, the Audit Committee has to report such cases to the Board of Directors of the Company in order to improve and solve the problem within the time frame approved by the Audit Committee:
    - (1) Conflict of interest transactions;
    - (2) Fraud or defect in the internal control systems;
    - (3) Non-compliance with rules and regulations of the Securities and Exchange Act and rules and regulations of the SET and related governing laws.

In case the Board of Directors of the Company or the management do not take any actions in order to improve and solve problems within the time frame as specified, the Audit Committee is deemed appropriate to report such transactions or such actions to the SEC or the SET.
  8. To perform any other tasks as assigned by the Board of Directors upon the Audit Committee's consent;
  9. To submit an operational report to the Board of Directors at least once a year.

### 7.3.2 Management Committee

As of December 31, 2021, the Management Committee is comprised of nine directors as follows:

Name	Position
1. Mr. Prachai Leophairatana	Chairman of the Management Committee
2. Dr. Pramuan Leophairatana	Vice Chairman of the Management Committee
3. Mrs. Orapin Leophairatana	Vice Chairman of the Management Committee
4. Mr. Prayad Liewphairatana	Member of the Management Committee
5. Miss Pattrapan Leopairut	Member of the Management Committee
6. Mr. Pakorn Leopairut	Member of the Management Committee
7. Mr. Pakkapol Leopairut	Member of the Management Committee
8. Ms. Nitawan Leophairatana	Member of the Management Committee
9. Dr. Porakrit Leophairatana	Member of the Management Committee

#### Functions and Responsibilities of the Management Committee

The Management Committee was appointed by the Company's Board of Directors at the Shareholders' Meeting, to perform the following functions:

1. To manage and determine the business strategies, targets and operational plans, financial objectives, and the budget of the Company by appropriately taking business factors into consideration and approval by the Board of Directors; in case circumstances change, the Management Committee shall review the use of the allocated budget to ensure that it is appropriate considering the circumstances. The Management Committee shall also undertake acts in line with the Company's business strategies in compliance with the policies determined by the Company's Board of Directors;

2. To monitor the work performance of each department to ensure the efficient and effective compliance with the Company's policies, business strategies, targets and operational plans, financial objectives, and budget of the Company as approved by the Board of Directors considering the business environment, and to provide advice and suggestions on management to the high-level management;
3. To select and nominate the high-level management of the Company. In the initial stage, the Management Committee members shall consider persons who are fully qualified, and who possess the knowledge, skills and experience that are beneficial to the Company's business operations. The names of these persons shall then be nominated for approval by the Company's Board of Directors'; to specify the organizational structure and the management policy; to consider and monitor the succession plan for the management, and the workforce plans, as well as the rules for remuneration and evaluation criteria for work performance by the management;
4. To appoint and remove employees of the Company from office, and to determine their rewards;
5. To consider and provide suggestions or comments to the Board of Directors on proposed projects or the entering into of any transactions relating to the Company's business, and to consider fund-raising options where necessary and greater than the allocated budget and/or the amount provided by the relevant laws, rules, and regulations, or the amount that the Articles of Association of the Company require that the Shareholders' Meeting and/or are approved by the Board of Directors, as provided in the Articles of Association of the Company;
6. To perform any acts relating to the general management of the Company. The Committee shall also have the authority and responsibilities as assigned by or as provided in the policy of the Board of Directors;
7. To appoint and/or assign the members of Management Committee or any person(s) to act within the scope of the Management Committee as it deems appropriate, and within the scope provided in the Table of Authority as defined by the Board of Directors. The Management Committee has the right to revoke or amend such authority within its scope of authority.

### 7.3.3 Nomination Committee

As of December 31, 2021, the Company's Nomination Committee consists of 15 members, consisting of:

Name	Position
1. Mr. Prachai Leophairatana	Chairman
2. Dr. Pramuan Leophairatana	Vice Chairman
3. Mrs. Orapin Leophairatana	Vice Chairman
4. Mr. Prayad Liewphairatana	Director
5. Miss Pattrapan Leopairut	Director
6. Mr. Pakorn Leopairut	Director
7. Mr. Pakapol Leopairut	Director
8. Ms. Nitawan Leophairatana	Director
9. Ms. Malinee Leopairut	Director
10. Dr. Porakrit Leophairatana	Director
11. Mr. Manu Leopairote	Independent Director; Chairman of the Audit Committee
12. Mr. Thiraphong Vikitset	Independent Director; Member of the Audit Committee



Name	Position
13. Mr. Abhijai Chandrasen	Independent Director; Member of the Audit Committee
14. Mr. Khantachai Vichakkhana	Independent Director
15. Mr. Wanchai Manosooti	Independent Director

#### Duties and Responsibilities of the Nomination Committee

1. Determine methods and criteria for nominating company directors to ensure transparency.
2. Selecting persons who deserve to be nominated as new directors when there is a vacancy (from resignation or a full term) to propose to the Board of Directors or the Shareholders' Meeting to proceed with the appointment, taking into account the composition of the knowledge and skills of the Board member. The qualifications of directors who wish to be nominated must be in accordance with the Company's business strategy.
3. Consider the nomination of directors to act as a specific director based on the composition of the Board of Directors, knowledge and competence of Directors deemed appropriate to perform the duties of the directors and presented to the Board of Directors for appointment.
4. The Nomination Committee should meet together at least once a year.
5. The company secretary acts as the secretary of the Nomination Committee.

#### 7.3.4 Compensation Committee

As of December 31, 2021, the Company's Remuneration Committee consists of 15 members, consisting of:

Name	Position
1. Mr. Prachai Leophairatana	Chairman
2. Dr. Pramuan Leophairatana	Vice Chairman
3. Mrs. Orapin Leophairatana	Vice Chairman
4. Mr. Prayad Liewphairatana	Director
5. Miss Pattrapan Leopairut	Director
6. Mr. Pakorn Leopairut	Director
7. Mr. Pakapol Leopairut	Director
8. Ms. Nitawan Leophairatana	Director
9. Ms. Malinee Leopairut	Director
10. Dr. Porakrit Leophairatana	Director
11. Mr. Manu Leopairrote	Independent Director; Chairman of the Audit Committee
12. Mr. Thiraphong Vikitset	Independent Director; Member of the Audit Committee
13. Mr. Abhijai Chandrasen	Independent Director; Member of the Audit Committee

Name	Position
14. Mr. Khantachai Vichakkhana	Independent Director
15. Mr. Wanchai Manosooti	Independent Director

#### **Duties and Responsibilities of the Remuneration Committee**

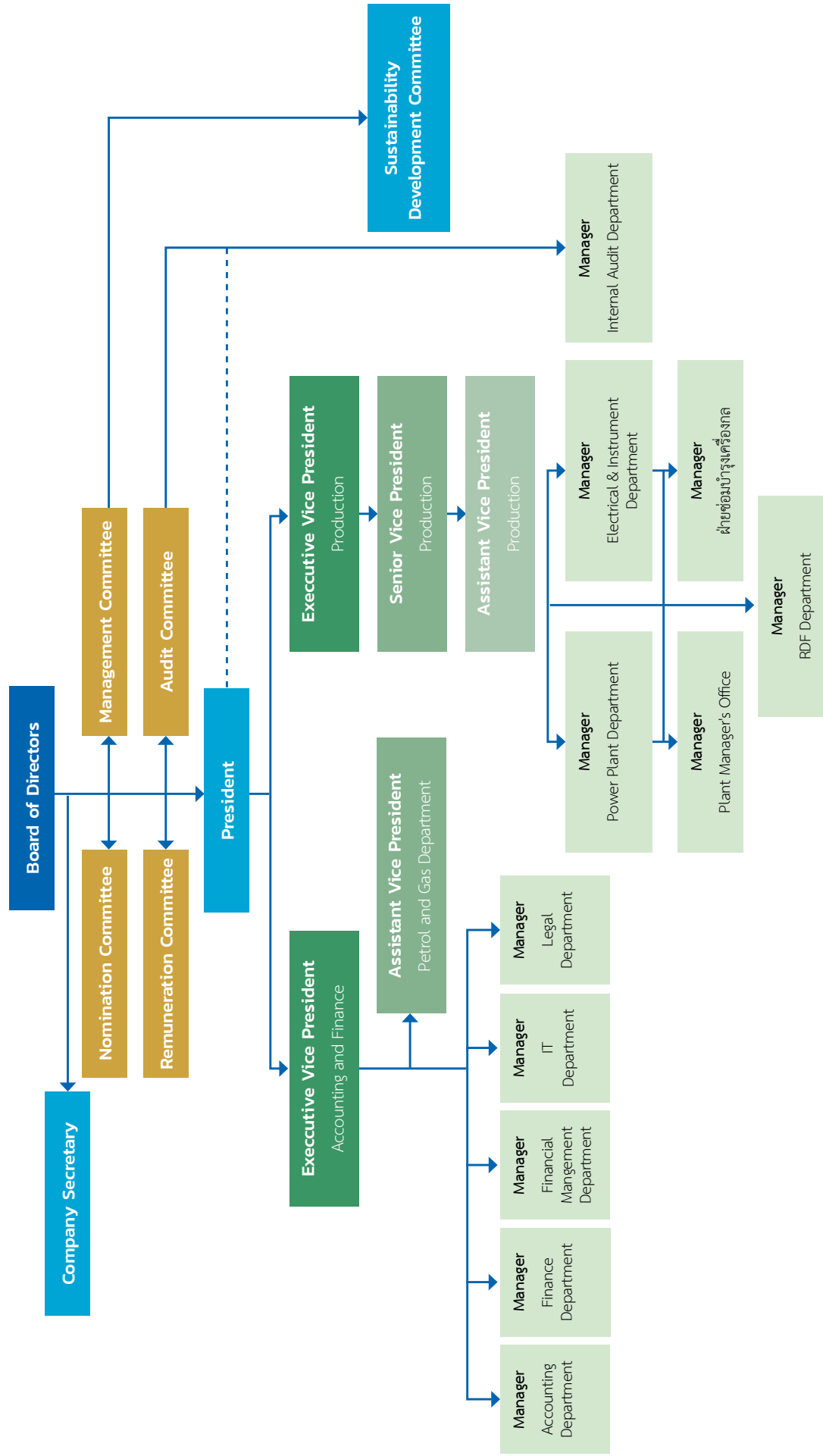
1. Set guidelines or methods for determining compensation, as well as consider offering fair and reasonable compensation. For directors and shareholders' meetings for approval.
2. To consider and propose the evaluation and remuneration guidelines of the management and the president for approval.
3. Acknowledge and provide feedback on organizational restructuring and job level, including evaluation and consideration of executive remuneration.
4. Responsibility to the Board of Directors Directly by roles and board of directors; Responsible for the operation of the Company to all stakeholders.
5. Disclose the report of the remuneration committee's operations in the annual report.
6. The remuneration committee should meet at least once a year.
7. Corporate Secretary Performs Duties of Secretary of the Remuneration Committee.

In 2021, the Remuneration Committee proposed the remuneration of the Board of Directors at the Board of Directors' meeting on December 24, 2021. The meeting considered discussions in comparison with businesses in the same industry with similar in size. The obligations, duties, and responsibilities each of the directors in the Company are greater than ever as the Company is in the process of expanding its scope of business operations more widely. In recent years, the Company had a satisfactory increase in performance, reflecting the dedication and attention of the Board's undertakings for the Company.

In return for the good results of the duties to be productive in the management of the Company's business and to encourage the performance of duties to be more efficient and effective, the remuneration of the Board of Directors has been considered and approved in the Extraordinary General Meeting of Shareholders No. 2/2016 of the Company held on April 29, 2016 in agenda item 2.6 in order to reward good performance of duties, effective on that day onwards. The Company's Board of Directors' remuneration report shall be informed to shareholders in the annual general meeting of shareholders for further knowledge.

## 7.4 Information about the Management

The Management as at 31 December 2021:



### 7.4.1 The Management

As of 31 December 2021, the Management team is comprised of as follows:

Name	Position
1. Mr. Pakorn Leopairut	President
2. Mr. Pakkapol Leopairut	Executive Vice President - Accounting and Finance
3. Dr. Porakrit Leophairatana	Executive Vice President - Production
4. Mr. Worawit Lerdbussarakam	Senior Vice President - Production
5. Mrs. Sirirat Lerthirunrat	Assistant Vice President - Petrol and Gas
6. Mr. Somkiat Teeratakulpisal	Assistant Vice President - Production
7. Miss Karuna Permsiripan	Manager - Accounting
8. Miss Weerawan Larpchaiwut	Manager - Finance

#### Functions and Responsibilities of the President

1. To carry out activities prudently; to be in compliance with the objectives of the Articles of Association; and to be in line with establishing policy as approved by the Board of Directors of the Company, in order to protect the Company's interests and for the benefit of shareholders.
2. To monitor and manage daily operational results of each department to ensure these are carried out effectively and efficiently.
3. To assign, nominate, remove, and punish employees and staff of the Company to comply with Company discipline.
4. To report work progress to be in line with work plans and budgets as approved by the Board of Directors.
5. Have the power to issue orders, regulations, announcements, and records to ensure compliance with the Company's policies and interests and to maintain work discipline within the organization.
6. To have the power to delegate the authorities and/or assign another person to perform a specific task instead by delegating such subsidies and/or assignments to be subject to the scope of power of attorney and/or in accordance with the regulations. The terms, as well as the table of authority table specified by the Board of Directors, or the orders set by the Board of Directors and/or the Company.
7. The Company has designated the Board of Directors to authorize the approval and amendment of the plan, including the annual budget, investment plan, one-time investment expenses, as well as the Company's management and sales expense budget. The Chief Executive Officer and/or President and/or Senior Executive Vice President have the authority to approve investments from approved investment statements requesting expenses, determining or changing marketing plans, and annual marketing budgets in accordance with an approved budget without limits, including: The Chief Executive Officer and/or The President and/or Senior Executive Vice President have the authority to approve advertising, promotions, and marketing activities, both in accordance with the plan and not within the plan within the limits approved by the Board of Directors.

In addition, the Board of Directors has authorized the management of the Company (the Chief Executive Officer and the President) with the following principles and jurisdictions as follows:

1. To be authorized to manage the Company's business in accordance with the objectives, regulations, policies, regulations, requirements, orders, as well as resolutions of the Board of Directors meeting and/or the resolutions of the Shareholders' Meeting of the Company in all respects.
2. Be an authorized contact person, order and process and sign legal agreements, contracts, order documents, notices, or any necessary and appropriate notices in order to complete the above actions.

### **Succession for the Management**

The Company has a policy and has continued to develop senior management in order to have qualified corporate executives to replace senior executives by setting out a succession plan for preparing personnel to be prepared for higher positions.

Business relationships or professional service relationships between independent directors and the Company, or the parent company, or its affiliates, or subsidiary companies, or associated companies, or juristic persons within the Company, that may impose conflicts of interest in an amount exceeding the restricted amount under the notification of the SEC regarding permission and approval of new shares issuance (if any), as well as the resolution and opinion of The Board of Directors approval (if any) for the transaction concerning such a business relation or professional service.

- None -

### **7.4.2 Remuneration policy of directors and the Management**

The remuneration of the management at all levels is based on performance, which is determined by the Board of Directors, the Chief Executive Officer and the President and senior executives together, considering the perspectives of the processes within the organization and employees, and covering both the annual performance and the assessment of potential and leadership that will ensure that the organization can be led to achieving its long-term goals. Each executive has operational indicators that correspond to their roles. Each year, the Board of Directors considers the salary adjustment of the Chairman of the Executive Committee, the President and Senior Executive Vice President and Chief Executive Officer and senior executives in accordance with their performance. However, salary adjustments must meet the Company's criteria and be comparable to companies in the same industry.

### **7.4.3 Remuneration of Management**

In 2021, remuneration awarded to the Company's six executives including salaries and bonuses was Baht 21,909,935 compared to Baht 23,513,830 for six Executives in 2020. Such remuneration did not include remuneration of the accounting manager.

## 7.5. Employee Information

### 7.5.1 Number of employees

As of December 31, 2020, and 2021, the Company has a total of 1,173 and 1,142 employees, respectively, with details as follows:

TPI Polene Power Public Company Limited	Number of employees As of December 31, 2021	Number of employees As of December 31, 2020
Head Office	98	103
Saraburi plant	1,044	1,070
<b>Total</b>	<b>1,142</b>	<b>1,173</b>

Number of employees as of December 31, 2021, divided into departments as follows : compared as expected.

Departmentt	Number of employees (2021)			Number of employees (2020)		
	Head Office	Saraburi plant	Total	Head Office	Saraburi plant	Total
President Office	8	-	8	7	-	7
Personnel and General Affairs	1	-	1	-	-	-
Petrol and Gas	70	-	70	76	-	76
Internal Audit	6	-	6	7	-	7
Legal	1	-	1	1	-	1
Accounting	5	-	5	5	-	5
Finance Operation	3	-	3	3	-	3
Information Technology	1	-	1	1	-	1
Financial Management	3	-	3	3	-	3
Saraburi plant	-	1,044	1,044	-	1,070	1,070
<b>Total</b>	<b>98</b>	<b>1,044</b>	<b>1,142</b>	<b>103</b>	<b>1,070</b>	<b>1,173</b>

### 7.5.2 Remuneration of Employee

In 2021, the Company paid personnel expenses or salary expenses to employees in the total amount of Baht 582,011,012.41 in the form of salaries, bonuses, and other remuneration with details as follows:

Unit: Baht

Remuneration	2021
Salaries and Bonuses	544,768,363.46
Other remuneration <sup>1</sup>	37,242,648.95
<b>Total</b>	<b>582,011,012.41</b>

**Note :** <sup>1</sup> Other remuneration included food, medical fees, and a provident fund

### 7.5.3 Provident Fund

The company contributes 3 percent of an employee's salary to the provident fund and the employees contribute at least 3 percent of their own salary. The Company started putting money into the provident fund in May 2016 and the provident fund expenses amount to Baht 9,472,365 as of December 31, 2021.

### 7.5.4 Employee Development Policy

The Company attaches importance to training and developing employees to enhance their knowledge, experience skills, as well as to promote ethics and integrity in their ongoing operations. The Company has established development courses in line with employees at all levels. Employees who start working will have a coaching system to organize training courses by job title. Development training courses are organized to support career development, as well as new technology knowledge courses that have changed so that employees can complete their assignments efficiently, build operational pride and support the growth of employees. In 2021, as a result of the COVID-19 pandemic, employees continued to improve and the Company adopted a virtual classroom training model, which is similar to classroom training.

In 2021, the Company set up a training plan for employees to develop both soft skills and hard skills in both internal training formats. and outside the organization, totaling of 115 courses as follows:

**Table of training courses to develop skills, knowledge, and abilities of employees in 2021**

Course category*	Number of courses	Objective
1. Management and leadership courses	18	Enhance leadership skills such as driving people within the organization to accomplish their objectives.
2. Occupational Health and Safety and Environmental Program	27	Organizes safety tasks to reduce the risk associated from illness, injury or death and care for the quality of life of personnel within the organization.
3. Technical areas	67	Focuses on improving skills, employee efficiency with learning, especially professionals, to encourage employees to show their full potential.
4. Technology & Engineering	1	To adapt the organization to keep pace with the digital era. Therefore, it must have knowledge of technology, innovation, rules, and ethics.
5. Support Delivering work and preparing for retirement	2	To prepare employees for retirement and delivering jobs smoothly.

**Remark:** \* Hard skills refer to specialist skills required for the profession.

Soft skills refer to performance skills that allow you to work and communicate with others effectively.

#### Average training hours of employees

Number of hours trained *	2019	2020	2021
Employees: target to 18 hours/person/year (hour)	45.84	44.89	28.04
Training Expense	248,100.08	368,011.90	1,411,851.06



## Managing COVID-19 Pandemic

The Company prepared for the COVID-19 pandemic that has severely affected society and operations by having implemented a Business Continuity Plan, which has resulted in a low level of business operations. However, the Company is closely monitoring the situation and mitigates risk appropriately with measures taken to ensure confidence as follows:

- The Company provides RT-PCR screening for COVID-19 to employees, contractors, and related employees who work in the same workplace; and for infected groups, the Company coordinates to access an immediate treatment system.
- The Company encourages employees and their families to be vaccinated against COVID- 19 as quickly and comprehensively as possible; vaccination appointments are coordinated in the vaccination program free of charge by the public sector Social Security Office, with shuttles on employee vaccination trips. The Company also purchased “Sino Pharm” vaccines for employees in the provinces who do not have access to the vaccine, allowing for rapid injections and covering the total number of employees. As of December 31, 2021, the rate of the 1st needle vaccination of TPI Polene Group employees was 99.74% of total employees and the 2nd needle vaccination, representing 99.38% of all employees, and the 3rd needles vaccination, representing 56.12% of all employees.
- Purchase of ATK testing kits using saliva and nasal dribble to screen, for prevention for the vulnerable employees and visitors. If positive results are found, they will be sent through the RT-PCR system for further treatment in the system; the Company also encourages employees who need to contact third parties to test with ATK testing kits before meeting, such as salespeople, freight workers, employees who need to meet with customers outside the premises to assure the safety for all third parties.
- Support the cost of COVID-19 detection, both RT-PCR and Rapid Antigen tests for at- risk employees to help quickly isolate infected people from non-infected people. Infected people can enter the care system and non-infected persons can operate in the workplace safely.
- Arrange working hours to create social distancing by allowing toggle- work time, and shifting arrangements to keep space between individuals, and reduce employee congestion; having lunch together has been prohibited to reduce direct inter-serial communication to reduce the risk and likelihood of spreading pathogens.
- For employees who reside in severe outbreak areas or have a risk of infection during a round trip by bus, the Company provides temporary accommodation to employees within the Company and controls the employee’s outings in accordance with bubble and seal principles.
- The Company purchased and reserved “Andrographis” for employees who have fever, cough, sore throat, or COVID-19 infection. It helps to relieve mild symptoms and is used in low-risk people to reduce the likelihood of pathogens spreading to the lungs.

The Company recognizes that human resources are a valuable and a force in driving the organization by focusing on developing people to be qualified, moral, ethical, and adherent to integrity, integrity, responsibility to organization and society. The Company also encourages employees to participate in corporate social responsibility, which the Company believes helps develop employees to be good and talented to further encourage sustainable growth in the organization.

## 7.6 Other key information

### 7.6.1 The list of persons assigned to perform the Company's important tasks is as follows:

#### Corporate Secretary

The Company appointed Mr. Nitisit Jongpitakrat as the Corporate Secretary since June 30, 2006, as approved, and resolved in the Company's Board of Directors' meeting no. 6/2549 on June 30, 2006, with duties and responsibilities as defined in the Securities Act as follows:

1. Prepare and keep documents of the Company, namely the register of directors, Letter of the Board of Directors meeting, minutes of the Board of Directors Meeting, Letter of Shareholders' Meeting Minutes of the Shareholders' Meeting and Annual Report.
2. Keeps track of conflicts of interest reports, as reported by the directors or the management.
3. Conducts the Board of Directors' meeting and the Shareholders' Meeting
4. Advises on the related rules and regulations that the Board of Directors and the management should be aware of.
5. Supervises and coordinates the Company's compliance with the legal regulations and resolutions of the Board of Directors Meeting and the Shareholders Meeting, as well as the Policy of Good Corporate Governance and Business Ethics in full and complete.
6. Take other actions as announced by the Capital Market Supervisory Board. Details of the Corporate Secretary appear in attachment 1 on "Details about the Directors, the management, controlling persons, the person directly responsible for supervision of the accounting work and the corporate secretary."

#### Supervision of the accounting work

The Company assigned Miss Karuna Permsiripan, Manager of Accounting Department to be responsible directly for supervising the Company's accounting work, with her biography in attachment one on "Details about the Directors, the Management, controlling persons and the person directly responsible for supervising the Company's accounting work and the corporate secretary."

#### The Company's Internal Audit Supervisor

The Company assigned Mr. Nitipong Sucharitphong, Manager of Internal Audit Department, as the Head of Internal Auditing of the Company, with his bio in attachment three on "Details about Supervision of the Internal Audit and Supervisor of Compliance"

#### Head of Corporate Compliance

The person assigned to the responsibility is the supervisor of the Company's operations. Initially, the Company requires each supervisor to be responsible for the Company's job.

### 7.6.2 List of Investor Relations

#### Contact Person

Mr. Thanate Singmethakul: Finance Management Manager Tel: 02-213-1039 Ext. 12985

### 7.6.3 Audit Fees and other remuneration

#### 1. The Company and its subsidiaries paid audit fees for 2021 as follows:

- (1) The statutory auditor of the Company for the financial year ended 2021 in the amount of Baht -0-
- (2) The office of the statutory auditor of the Company, or other persons or related enterprises relating to the statutory auditor of the Company for year 2021 in the amount of Baht 2,400,000.

#### 2. Non-audit fee

The Company paid a fee to KPMG Phoomchai Audit Limited to review the report of promotional privileges and benefits of exemption from payment of corporate income tax by virtue of the promotional certificates of the Board of Investment in 2021 for a total of Baht 180,000.

## 8. Report on the important performance of corporate governance

### 8.1 Summary of the Board's performance in 2021

In 2021, the Board of Directors reviewed and established the Group's policy, direction, and business strategy, including the Group's vision, mission, and business goals.

The Board of Directors evaluates the Company's performance both financially and non-financially, assessing it from stakeholders (e.g., customer satisfaction, employee satisfaction, etc.), In-house processes in the organization and learning and growing of organizations and employees.

#### 8.1.1 Nomination, Development and Training of Directors

##### 1) Criteria for selection of the independent directors

The Company has a policy of nominating independent directors in accordance with the Announcement of the Capital Market Supervisory Board No. 39/2016. Re: Permission and Authorization for The IPO reissued, dated September 30, 2016 (including amended) as follows:

1. Holding shares not more than 1% of the total voting shares of the Company and its subsidiaries. The Company shall count the shareholdings of the relevant directors of the independent directors.
2. Not being or not have been a director who is involved in management, an employee, or a consultant with regular salaries, or controlling persons of the Company, the subsidiaries, the associates, the subsidiaries of the Company in the same order as a major shareholder or of controlling over the Company, unless he/she has been removed from such positions at least two years prior to the date of appointment as an audit committee member. Such prohibited positions do not include cases where independent directors have been officials or advisors of government offices that are major shareholders or controlling persons of the Company.
3. Not being a person with a family relationship or by legal registration in a manner that includes parents, married couples, brothers and sisters, and offspring, as well as children of other directors, the management, major shareholders, controlling persons, or persons who will be proposed as directors, the management, or controlling persons of the Company or its subsidiaries.
4. Have no business relationships with the Company, its subsidiaries, associates, major shareholders or controlling persons of the Company in a manner that may impede the use of their independent judgment, including not being or have not been an implicit shareholder or controlling person of a person with a business relationship with a the Company, a major company, or a subsidiary unless it has been removed from such positions at least two years prior to the date of filing an application for permission to the SEC.

Such business relationships include entering into commercial transactions that are normally conducted for business operations, namely renting or leasing the property, assets or services transaction, or providing or receiving financial assistance by receiving or lending guarantees, provision of assets as collateral for liabilities, as well as other similar circumstances, which results in the Company or its parties having to pay debts to the other party, from 3% of the net tangible asset of the Company or Baht 20 million or more, whichever is lower. The calculation of such debt obligations is based on rules and regulations imposed on connected transactions in accordance with the Notification of the Capital Market Supervisory Board in determining the debt obligations incurred one year prior to the date of business relationship with the same person.

5. Have not been an auditor of the Company, its subsidiary, associates, major shareholders or controlling persons of the Company in a manner that may impede the use of their independent judgment, including not being or have not been an implicit shareholder or controlling person of a person with a business relationship with a company, a major company, or a subsidiary unless it has been removed from such positions at least two years prior to the date of filing an application for permission to the SEC.
6. Have not been a professional service provider, including providing services as legal advisors or financial advisors, which receive service fees in excess of Baht two million per annum from the Company, the subsidiary, associates, major shareholders or controlling persons of the Company in a manner that may impede the use of their independent judgment, including not being or have not been an implicit

shareholder or controlling person of a person with a business relationship with a company, a major company, or a subsidiary unless he/she has been removed from such positions at least two years prior to the date of filing an application for permission to the SEC.

7. Not being a director appointed to represent on behalf of the Directors of the Company, major shareholders or shareholders who are related to major shareholders.
8. Not to operate a business of the same condition and be in competition that implies to the business of the Company or its subsidiaries, or not to be a partner with implications in the partnership or as a director who is involved in the management, staff, or a consultant who receives regular salaries or hold more than 1% of the total voting shares of other companies, which operate in the same condition and are in implicit competition with the Company's business or its subsidiaries.
9. There are no other positions that prevent him/her from giving an independent opinion.

## **2) Criteria for nomination of directors and the management**

In appointing directors of the Company, the Company will consider the knowledge, competence, and experience related to the business or by the major shareholders of the Company with experience in the business that will benefit the Company. However, the appointment of new directors must be approved by the Board of Directors' Meeting and/or the Shareholders' Meeting (as the case may be).

1. To assume that one shareholder has the same vote as one share per one vote.
2. Each shareholder can use all available votes according to (1) elect a single person or multiple persons as directors. In the event of an election of several individuals as the directors, votes cannot be divided into anyone for more or less.
3. The person receiving the highest number of votes respectively will be elected as a director as much as the number of directors who will have or will be elected at that time. In the event that the person who is elected in the next order has the same votes, exceeding the number of directors who should have or will be elected at that time, the Chairman of the Board will be the decisive voter.

At every annual ordinary meeting of shareholders, the directors shall be removed from their positions for a third of the number of directors at that time. If the number of directors can't be divided into three parts, the number is issued by the closest number to one-thirds, considering the longest-in-position director is the one who leaves the position. Departing directors may be elected by the shareholders meeting to become new directors.

In the event that the director's position is vacated for reasons other than the term of issue in accordance with the term, the Board of Directors shall select a person who is qualified and does not have a prohibited nature under the Law on Public Limited Companies and the Securities and Exchange Act, to be a replacement director at the next board meeting unless the term of the director is less than two months, with the person who becomes the director only as much as the remaining term of the director he replaces. However, the resolutions of the Board, as mentioned above, must consist of at least three-fourths of the remaining number of directors.

## **3) Development and Training of Directors**

The Company has arranged for directors to participate in training organized by the Thai Institute of Directors Association (IOD) to increase knowledge of directors' duties.

In 2020 - 2021, the directors participated in the training as follows:

1. Mr. Manu Leopaiprote and Dr. Abhijai Chandrasen attended the online meeting with the Office of the Securities and Exchange Commission ("SEC") together with the Audit Committee of listed companies. On Monday November 29, 2021, on the topic of the roles and duties of the Audit Committee in corporate governance, especially the supervision of the quality of the preparation of financial reports by selecting qualified auditors and realizing the value of audit work to improve the quality of corporate governance and the quality of financial reports.

2. The Board of Directors participated in two seminars organized by Thaipat Institute :1) “Sustainability Reporting Process according to GRI Standards”, held on September 17, 2021, and 2) “Sustainability Report Preparation” course held on October 15, 2021.

1. Mr. Prachai Leopharatana
2. Mrs. Orapin Leopharatana
3. Mr. Pakorn Leopirut
4. Mr. Pakkapol Leopairut
5. Dr. Porakrit Leophairatana

In addition, the Company has always informed directors of information related to good corporate governance practices to increase knowledge and understanding.

However, information on the training of the directors from the Thai Institute of Directors Association (IOD); as per details appeared in attachment one on “Details about the Directors, the management, controlling persons, the person directly responsible for supervision of the accounting work and the corporate secretary.”

#### **Directors Orientation**

The Company recognizes the importance of the duties of new directors, thus providing the introduction of guidelines for the overall implementation of the Company, structure of subsidiaries, associates, and related business companies to have an understanding of the shareholding structure between them. In addition, it provides important and necessary information to perform the duties of the directors, such as in-house structure, memorandum of association, articles of association, business ethics of the Board of Directors, manual of listed company, good corporate governance policy, related governing laws, financial statements, notes to the financial statements, including holding meetings with the Chairman of the Board of Directors, Board of Directors, Sub-Committees of the Company to be informed about the Company’s business operations.

For directors who have taken new positions in the Board of Directors, an orientation has been held so that new directors can receive the Company’s business policies, as well as related information such as management structure, shareholders, performance, as well as laws, rules, and handover of directors’ manuals, which are useful for performing duties as a director. The Director’s Manual / Information for Directors consists of the following:

#### **Director’s Manual:**

1. Public Limited Companies Act, B.E. 1992
2. Securities and Exchange Act, B.E. 1992
3. Company Registration
4. Company’s Certificate
5. Company Memorandum of Association
6. Company Articles of Association
7. Code of Conduct
8. Guide to Directors of Listed Companies

#### **Information for Directors:**

1. Presentation to recommend the Company’s business operations.
2. List of Boards of Directors, Specific Committee and Management Structure Chart
3. Good Corporate Governance Principles for Listed Companies
4. Connected Transactions of Listed Companies

5. Information Advice for Registered Executives
6. Recommendations for providing information for Directors of Listed Companies
7. Company Profile
8. Annual Report
9. Financial Statements

This includes holding meetings with the Chairman of the Board of Directors, the Sub-Committee of the Company to be informed about the Company's business operations, which are listed on the Company's web site, <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/directors-orientation>

### 8.1.2. Attendance and remuneration of the Board of Directors and Audit Committee of the Company individually

#### (1) Attendance of the Board of Directors and the Audit Committee of the Company.

The Company has set a formal pre-meeting date annually in accordance with good corporate governance principles so that directors can plan to allocate time to attend meetings regularly, and additional extraordinary meetings might be held to consider urgent matters of importance. In each meeting, the Company will send the invitation to the meeting and the supporting documents to the Board of Directors not less than seven days prior to the meeting; unless there are urgent circumstances such as extraordinary board meetings, for example, to provide directors with sufficient time to study the information prior to the meeting. The directors can make further relevant inquiries through the Company Secretary for further coordination.

However, the Company has provided a preliminary schedule on the date and time of the 2022 Board meeting\* as detailed below:

Meeting number	Date of the Meeting	Time of the meeting	Note
1	January 28, 2022	14.00-16.00	
2	February 25, 2022	14.00-16.00	
3	March 25, 2022	14.00-16.00	
4	April 29, 2022	14.00-16.00	
5	May 27, 2022	14.00-16.00	
6	June 24, 2022	14.00-16.00	
7	July 29, 2022	14.00-16.00	
8	August 26, 2022	14.00-16.00	
9	September 30, 2022	14.00-16.00	
10	October 28, 2022	14.00-16.00	
11	November 25, 2022	14.00-16.00	
12	November 25, 2022	14.00-16.00	

**Remark :** \* For such preliminary schedules, changes are subject to appropriate. Additional details are shown on the Company's web site <http://www.tpipolenepower.co.th/index.php/en/en-aboutus/board-meeting>

### The Board's meeting

In 2021, the Board of Directors convened meetings a total of 12 times, with attendance as detailed below:

Name	Position	Number of Meeting Attendance
1. Mr. Prachai Leophairatana	Chairman	12/12
2. Dr. Pramuan Leophairatana	Vice Chairman	12/12
3. Mrs. Orapin Leophairatana	Vice Chairman	12/12
4. Mr. Prayad Liewphairatana	Director	12/12
5. Miss Pattrapan Leopairut	Director	10/12
6. Mr. Pakorn Leopairut	Director	12/12
7. Mr. Pakkapol Leopairut	Director	12/12
8. Ms. Nitawan Leophairatana	Director	12/12
9. Ms. Malinee Leopairut	Director	12/12
10. Dr. Porakrit Leophairatana	Director	12/12
11. Mr. Manu Leopairote	Independent Director and Chairman of the Audit Committee	11/12
12. Mr. Thiraphong Vikitset	Independent Director and Audit Committee	12/12
13. Mr. Abhijai Chandrasen	Independent Director and Audit Committee	12/12
14. Mr. Khantachai Vichakkhana	Independent Director	12/12
15. Mr. Wanchai Manosooti	Independent Director	12/12

### Meeting of the Audit Committee

In 2021, the Audit Committee convened meetings a total of 5 times, with attendance as detailed below:

Name	Position	Number of Meeting Attendance
1. Mr. Manu Leopairote	Chairman of the Audit Committee	5/5
2. Dr. Thiraphong Vikitset	Member of the Audit Committee	5/5
3. Dr. Abhijai Chandrasen	Member of the Audit Committee	5/5

However, at the end of the meeting, the Company will prepare the minutes of the meeting, proposed to the Board of Directors' meeting at the next meeting, and the Chairman of the Board of Directors to sign the authentication and certified minutes are systematically stored for reference queries.



## (2) Remuneration of the Board of Directors

Remuneration of Directors and the Management

### 1) Monetary compensation

In 2021, remuneration awarded to the Company's 15 directors in the form of meeting allowances and bonuses was Baht 22,748,400 compared to Baht 21,827,600 of 15 directors in 2020. Details of remuneration in 2021 are as follows:

Unit: Baht

No.	Name	Position	Meeting allowances	Bonuses	Total
1.	Mr. Prachai Leophairatana	Chairman	1,409,760	106,800	1,516,560
2.	Dr. Pramuan Leophairatana	Vice Chairman	1,409,760	106,800	1,516,560
3.	Mrs. Orapin Leophairatana	Vice Chairman	1,409,760	106,800	1,516,560
4.	Mr. Prayad Liewphairatana	Director	1,409,760	106,800	1,516,560
5.	Miss Pattrapan Leopairut	Director	1,409,760	106,800	1,516,560
6.	Mr. Pakorn Leopairut	Director	1,409,760	106,800	1,516,560
7.	Mr. Pakkapol Leopairut	Director	1,409,760	106,800	1,516,560
8.	Ms. Nitawan Leophairatana	Director	1,409,760	106,800	1,516,560
9.	Ms. Malinee Leopairut	Director	1,409,760	106,800	1,516,560
10.	Dr. Porakrit Leophairatana	Director	1,409,760	106,800	1,516,560
11.	Mr. Manu Leopairote	Independent Director and Chairman of the Audit Committee	1,409,760	106,800	1,516,560
12.	Mr. Thiraphong Vikitset	Independent Director and Audit Committee	1,409,760	106,800	1,516,560
13.	Mr. Abhijai Chandrasen	Independent Director and Audit Committee	1,409,760	106,800	1,516,560
14.	Mr. Khantachai Vichakkhana	Independent Director	1,409,760	106,800	1,516,560
15.	Mr. Wanchai Manosooti	Independent Director	1,409,760	106,800	1,516,560
	<b>Total</b>		<b>21,146,400</b>	<b>1,602,000</b>	<b>22,748,400</b>

### 2) Other remuneration

The Company provides personal cars to the management.

### 8.1.3 Supervision of subsidiaries and associates

The Company has an investment policy in subsidiaries and/or associates with policies in line with the Group's vision and growth plan, which will enable the Group to increase its performance or profitability in order to achieve its goals of becoming a leading entrepreneur in the business and to support the Company's core business operations, including convenience and mobility, efficiency in operations and increased competitiveness based on factors such as legal provisions, financial structure, taxation and risk management, etc.

However, the Company has a policy of managing TPI Polene Group by requiring the subsidiaries to conduct businesses in accordance with the Company's policies in order to have systematic management and supervision in the same direction. As for the management of associates and other subsidiaries, the Company has sent representatives to join as the Executive Committee to make decisions about policies and operational plans based on good corporate governance principles, ethical business operations to ensure efficient, transparent, fair operation and achieve the goals set forth.

The Company has a policy of supervising the operations of its subsidiaries and associates as follows:

1. The Company will send the person on behalf of the Company to be a director in each subsidiary and/or associate in accordance with the shareholding in each company. However, sending representatives of the Company as directors in each subsidiary and/or associates must be considered and approved at a meeting of the Board of Directors, taking into account the suitability of each company.
2. The Board of Directors and the management of each subsidiary and/or associates will have significant scope of authority and responsibilities in accordance with applicable laws, such as disclosure of information about financial position and performance. Connected transactions of subsidiaries and/or associates, as well as the acquisition or disposition of significant assets to the Company by applying the relevant notices of the Capital Market Supervisory Board and the Notification of the Board of Directors, including disclosing and submitting information on their interests and persons relating to the Board of Directors to the relationships and transactions with subsidiaries and/or associates in a manner that may cause conflicts of interest and avoid transactions that may cause conflicts of interest.
3. The Company will formulate the necessary plans and actions to ensure that the subsidiary and/or associates disclose information about their operating performance and financial position, and that the Company will take the necessary actions and monitor the subsidiary and/or associates with adequate and appropriate internal control systems and control systems to conduct the business.

In addition, the Company will closely monitor the performance and operations of such subsidiaries and/or associates and present the results of the analysis, including comments or recommendations, to the Board of Directors and the Board of Directors of those subsidiaries or associates for consideration, policy determination or improvement, to encourage the business of its subsidiaries and/or associates to develop and grow continuously.

### 8.1.4 Monitoring compliance with corporate governance policies and practices

The Company attaches an importance to good corporate governance by establishing relevant policies and practices in the Company's corporate governance policy and business ethics, while encouraging concrete actions to ensure confidence to all stakeholders.

In the previous year, the Company monitored to ensure good corporate governance practices covering the following matters:

- 1) Employee care and indiscriminate
- 2) Anti-unfair competitiveness
- 3) Environmental care, hygiene, and safety in the organization, and
- 4) Safeguard of technological Information

The follow-up monitoring indicating that the Company had fully implemented the guidelines of each issue. In addition, the Company has followed up to achieve good corporate governance compliance in four other areas as follows:

## **(1) Protection of Conflict of Interest**

The Board has a clear policy to execute transactions, which have potential conflicts of interest in a manner that is in the best interests of the Company and its shareholders. Transactions between the Company (and its subsidiaries) and anyone, with which a possible conflict of interest might occur, require approval under the rules and regulations imposed by the SEC and the SET concerning information disclosure. In addition, such transactions are subject to an approval process in which only unconnected persons may participate.

Disclosure of the details of connected transactions that may involve conflicts of interest (according to criteria of the SET and the SEC) in the Company's Annual Report (Form 56-1 One Report) or declared in other reports as the case may be. This also includes disclosure of information on connected transactions according to the general accepted accounting standard criteria. Details of connected transactions are disclosed in the section "Inter-Company Transactions".

In addition, pursuant to the Articles of Association, Directors shall notify the Company without delay of their interests in any contract executed with the Company or affiliated companies, and of their holding, and its increase or decrease, of shares or debentures of the Company.

## **(2) Dissemination of internal information**

### **1) Monitoring of internal data usage**

The Company maintains the use of internal information in accordance with the law and in accordance with good corporate governance guidelines. It is set out in writing in the Directors' Business Code of Conduct, which will be given to the directors, the management and employees when start working on the first day in the workforce. The key policies can be summarized as follows:

1. The Company has designated the directors, the management and employees to sign acknowledgement of the relevant notices of the SEC to designate directors and the management to be responsible for reporting changes in securities holdings to the SEC under Section 59 of the Securities and Exchange Act B.E. 2535 (1992) within three working days from the date of the change of securities holdings and shall notify the Corporate Secretary to provide a record of the change and summary of the number of securities of directors and the management individually to present to the Board of Directors at the next meeting. In addition, penalties have been imposed if they have violated or not met such requirements.
2. The Company has a requirement not to use financial statements or other insider information that affects the price of the Company's securities to disclose to third parties or non-affiliated parties and not trade securities for a month before financial statements or other information affecting the price of securities of companies/group companies in public. The Company must not trade securities until 24 hours after all such information has been disclosed to the public. Failure to act in accordance with such requirements constitutes a disciplinary violation of the Company. If a director, any executive or employee who has learned of important internal information, anyone who commits a disciplinary offense, will be punished with warnings, salary cuts, unpaid suspensions, up until dismissal.

However, the guidelines as above have been resolved and approved by the Board of Directors.

In recent years, it has not been found that directors and the Management have traded securities during the Company's term of referminion. In addition, the Company has begun to introduce electronic systems to enhance reporting efficiency with directors, the management, and employees.

The Company has made it a priority to achieve equality and fairness to all shareholders. Internal information or material information regarding changes in the price of unsealed securities is considered to be internal information used in business operations and is classified information of the Company, which, if disclosed, will affect the Company, especially the value of the shares of the Company that are traded on the SET. Therefore, management and employees at all levels of the Company must keep the internal information confidential. Thus, guideline practices are established as follows:

1. The Company's employees must maintain and keep customer information and commercial information confidential, which must be maintained in respect of their responsibilities unless required by law to disclose for litigation purposes or the Board of Directors approves the disclosure.
2. Disclosure of information that may have any impact on the Company must be done by the person who has the decision to act on such matters unless assigned by the disclosure authority.
3. Internal information is information on business operations and management of confidential business. If disclosed to the public, it will affect the Company.
4. Employees and related persons must not disclose information that has not been disclosed to the public and cannot trade securities of the Company or the companies they are involved with when they know information that has not been disclosed to the public.
5. Important documents and confidential information must be maintained in specific ways, defined at each level and type of data must be carefully stored, and easy to use. After the appropriate period of time, the data or documents that are stored in the electronic system, employees involved must ensure that the destruction is made in an appropriate way, valid for each type of information or document. Some documents must be preserved as required by imposed legal regulations and should be studied on a case-by-case basis.

The Company has policies and procedures to ensure that directors and the management do not provide internal information of the Company, that has not been made public to exploit themselves, including securities trading as follows:

1. The Company will educate the directors and the management, including executive positions in accounting or finance or equivalent, regarding the duties that must be prepared and submitted to their securities holding reports of their offspring, to the SEC under Section 59 and about penalties under Section 275 of the Securities Act, including reporting the acquisition or distribution of their own securities, married couples, and their offspring to the SEC under Section 246 and about penalty imposed under Section 298 of the Securities Act.
2. The Company requires the directors, the management, including executive positions in accounting or finance or equivalent, to prepare and submit reports of the holding of their securities, of married couples and their offspring to the Corporate Secretary before sending them to the SEC, the reports of which shall be prepared and delivered within 30 days from the date of appointment to the position of director and/or executive, or report the change in securities holdings within three business days from the date of the purchase, sale or transfer of such securities.
3. The Board of Directors and employees in particular business units of the related information (including married couples and offspring of such persons) are prohibited to trade the Company's securities at least one month prior to the disclosure of quarterly and annual financial statements and within 24 hours after the disclosure of such financial statements.

In addition, in the event of the Board of Directors and employees in the particular business units concerned with the information (including married couples and offspring of such persons) know undisclosed information that may affect the Company's securities price, such persons must not trade the Company's securities until 24 hours after all such information has been disclosed to the public.

4. The Company imposes disciplinary penalties if there is a breach of internal information to exploit themselves; disciplinary action starts with written warnings, salary cuts, unpaid suspensions, or dismissal. The punishment will be determined by the intent of the offense and the seriousness of the offense.

Company shares held by the Directors and the Management (including married couples and their offspring)  
as of December 30, 2021.

Name	Shareholding as at 30 December 2020 (shares)	Shareholding as at 30 December 2021 (shares)	Change Increase/ (decrease) During year 2021 (shares)
1. Mr. Prachai Leophairatana	6,019,906	6,019,906	-
2. Dr. Pramuan Leophairatana	4,994,025	4,993,408	(617)
3. Mrs. Orapin Leophairatana*	*	*	*
4. Mr. Prayad Liewphairatana	5,352,708	5,352,708	-
5. Miss Pattrapan Leopairut	3,853,192	3,853,192	-
6. Mr. Pakorn Leopairut	5,325,591	5,325,591	-
7. Mr. Pakkapol Leopairut	1,870,399	1,870,399	-
8. Ms. Nitawan Leophairatana	250,571	250,571	-
9. Ms. Malinee Leopairut	50,265	50,265	-
10. Mr. Manu Leopairote	-	-	-
11. Mr. Thiraphong Vikitset	179	179	-
12. Mr. Abhijai Chandrasen	-	-	-
13. Mr. Khantachai Vichakkhana	171	171	-
14. Mr. Wanchai Manosooti	1,000,000	1,000,000	-
15. Dr. Porakrit Leophairatana	537,314	537,314	-
16. Mr. Worawit Lerdbussarakam	750,000	750,000	-
17. Mrs. Sirirat Lerthirunrat	-	-	-
18. Mr. Somkiat Teeratakulpisal	-	-	-
19. Miss Karuna Permsiripan	-	-	-
20. Miss Weerawan Larpchaiwut	-	-	-

Note : \* Included in shareholding of Mr. Prachai Leophairatana to comply with the provisions contained in the Securities and Exchange Act, article 258

### (3) Anti-Corruption Policy

The Company is committed to pursuing its business operations, with an emphasis on transparency with ethics and responsibility to shareholders, customers, employees, society, and other stakeholders. The Company has the policy that the directors, the management and all levels of employees are prohibited from operating or accepting, soliciting, demanding, or accepting assets or other benefits to other persons in business dealings with the Company, whether directly or indirectly, as a motive for them to do or refrain from doing any act to acquire or keep benefits that are unsuitable to the business to perform in compliance with the principles of good corporate governance, codes of conduct and/or related to the terms and regulations or any legal issues to create sustainable value and long-term growth of the business.

### Objective

1. All employees must not induce to act or refrain from acting that may lead to malfeasance and corruption, and not get involved in corruption, whether directly or indirectly.
2. To support all employees' roles and responsibilities to take part in the activities of the Anti-Corruption Policy.
3. To conduct its business with fairness and enhance the confidence of its stakeholders.

### Scope of Anti-Corruption Policy

Stakeholders of the Company who are involved in the Anti-Corruption Policy are classified into 2 major groups as follows:

1. **Internal:** Director, Management Team, and all levels of staff/employees
2. **External:** Customer or suppliers, contractors, sub-contractors, business partners, creditors, governmental authorities, and private officers.

### Definition

Corruption means any type of bribery; an offering, agreement to give, giving, promising to give, soliciting, or receiving of money, assets, or other inappropriate benefits from government officers, government sectors, private sectors, or responsible person either in direct or indirect action so that such person could proceed or disregard his/her function in order to acquire, retain the business, recommend a specific company to the entity, or achieve any improper benefits in business transactions. Exceptions shall be applied in the case of laws, regulations, statements, standards, customs, or business traditions that are enabled to do so.

### Roles and Responsibilities

The Board of Directors is responsible for determining the policy, monitoring, and forming of an effective system supporting the anti-corruption act in order to affirm that the management team is intensively concerned with, emphasizes, and cultivates an anti-corruption mindset as the Company's culture.

Presidents and the management are responsible for determining the anti-corruption system, promoting, and encouraging that anti-corruption manners are conveyed to all staff and related parties. This also includes reconsideration of systems or regulations in order to best adjust to business changes, regulations, standards, and laws.

The Audit Committee is responsible for the revision of financial and accounting reports, internal controls, internal audit functions, and risk management so that such operations are concise, appropriate, effective, and conform to global standards.

The Internal Audit Director is responsible for auditing, assessing, and evaluating whether business transactions are accurate and comply with guidelines, approval authorities, standards, laws, and policies in such monitored departments in order to assure that the internal controls are sufficient and suitable for probable risk in corruption. This shall be directly reported to the Audit Committee.

### Anti-Corruption Guidelines

1. Staff members shall not be negligent in any corruption conditions involved directly with the Company. All staff members must notify such acts to supervisors, or the responsible person provided in particular channels, including cooperating with any fact-finding investigation.
2. A person who commits corruption is considered for disciplinary offenses. This means such person is to be considered for discipline according to the Company's standards. Legal prosecution may be applied in case such acts violate laws.
3. The Company shall be fair and provide safeguards for staff members who report corruption cases relating to anti-corruption.
4. The Company understands the importance of dissemination, knowledge sharing, and constant communications with employees.
5. The Internal Audit Department of the Company will be responsible for reviewing and evaluating internal control systems, disclosure of Company information, and to review implementation of the provisions and risk management systems that can mitigate risks against corruption and report directly to the Audit Committee.

### **Provision in Implementation**

#### **Implementation of Anti-Corruption Policy (to interact properly with business partners and the related parties who have conflicts of interest)**

All employees will be responsible for adhering to the Company's Anti-Corruption Policy in their business connections with customers, suppliers and all parties concerned. (Hereinafter called "related parties who have conflicts of interest" who have a direct impact on business operations)

1. The employees must comply with the Anti-Corruption Policy and measures, the Company's corporate governance principles and code of business conduct and hospitality activities from other persons in business dealing with the Company.
2. The employees must not accept gifts, entertainment and hospitality offerings or entertainment and hospitality activities from other persons in business dealing with the Company, whether directly or indirectly.
3. Employees must not be corrupt or accept corruption in any form under any circumstances, related to the business without getting prior approval from the direct supervisors. Any acceptance thereof as above from other persons must comply with the Anti-Corruption Policy and measures, the Company's corporate governance principles and code of business conduct and must not have any impact on the business decision of said employee.
4. Employees must not perform any act to acquire or keep benefits from their positions in the Company to accept gifts, entertainment and hospitality offering or entertainment and hospitality activities from other persons in business dealing with the Company.
5. Whenever the employees advise the HR department of the Company, those actions must not go against the benefits and/or recruitments of the Company and employees must refrain from doing any act to acquire or keep benefits that go against relevant laws and regulations.
6. There are to be no close relationships between supervisors and those under their supervision within the same departments such as married couples, or parents or offspring, that may impose conflicts of interest.
7. The Business Relations and Procurement Process with the Public Sector or all types of bribery or illegal payments are prohibited in all business transactions, operations, and connections to the government.
8. Corrupt persons who violate or fail to comply with the anti-corruption measures must face punishment under the Company's rules and may also face prosecution if the action violates the law.
9. Employees must be granted an approval from their supervisors before offering all types of gifts (such as the Company's products) or entertainment and hospitality activities to other persons for business purposes, to be in compliance with the Anti-Corruption Policy and measures, the Company's corporate governance principles, and its code of business conduct. In case of emergency that in any circumstances, supervisor approval has not been granted in advance, such employees are deemed to get an approval from their supervisors immediately after offering all types of gifts (such as the Company's products) or all forms in any circumstances to other persons for business purposes.
10. Employees must not acquire or take benefits from their positions in the Company to perform inappropriate relationships, sexual harassment and other verbal or physical harassment of a sexual nature, any kinds of treatment or consideration of, or making a distinction in favor of or against (discrimination based on race, sex, disabilities, or religion). This also includes burglary, threats, force, or any other kind of action that violates the law.
11. Employees should ask or request opinions from their supervisors or responsible persons when the employees face or have doubt about any act that is considered corruption in order to avoid any arguments.

#### **Disclosure of the Anti-Corruption Policy**

1. The Company announces the written publication of the Anti-Corruption Policy and measures as a principal guideline for employees to follow.
2. The Company discloses the written publication of the Anti-Corruption Policy and measures through the Company's channels, such as letters, the Company's website, and Annual Report.



3. The Anti-Corruption Policy needs to be reviewed regularly, including with a possible revision of such policy.

The Internal Audit Department of the Company will be responsible for reviewing and evaluating internal control systems, disclosure of Company information, and to review implementation of the provisions and risk management systems that can mitigate risks against corruption and report directly to the Audit Committee.

#### **Additional practices regarding prevention of corruption**

The Group has an anti-corruption policy focused on promoting morality, ethics, transparency in business practices in accordance with the Company's business ethics, as well as conducting business with an effective management system that is transparent and verifiable. In addition, the Company encourages its personnel at all levels not to be involved in any corruption directly or indirectly and promotes the participation of employees at all levels in preventing and combating corruption related to the Company's business, including the Company, has trained employees at all levels.

The Group has a policy of giving or receiving gifts, as well as other benefits from individuals or companies engaged in business with the Company so as not to cause conflicts of interest, any special compensation or incentives of value from third parties with business relevance. Employees of the Company must first be approved by direct supervisors. However, receiving such gifts must be in accordance with the rules, business traditions or business etiquette and must not influence employee business decisions.

In addition, the Group has a policy of not authorizing or encouraging unlawful payments or bribing government agencies, and also is clearly determined to report whistleblowers or complaints in cases where unlawful acts are witnessed. The Company also sets out guidelines for conducting investigations and penalties in the Company's anti-corruption policy

#### **(4) Whistleblowing**

##### **1. Complaints or recommendations**

- 1.1 A complaint if encountering any acts that are considered corruption, either directly or indirectly.
- 1.2 Any act that is considered corruption and/or has a direct effect on the internal controls of the Company, to cooperate in the fact-finding investigation stipulated by the Company's regulations.
- 1.3 Any act that has a direct impact on the Company's reputation and benefits.
- 1.4 Any misconduct that goes against the law, morals, or business ethics.

##### **2. Whistleblowing or complaint channels**

All employees are obliged to report to the following persons and/or agencies when they see fraud, or corruption related to the Company's activities that violate this policy by using one of the channels.

##### **3. Internal feedback mechanism (internal complainant)**

- (1) Head of Audit Head of Human Resources or Head of Legal Affairs
- (2) Feedback box
- (3) Electronic mail (E-mail: [orapin@tpipolenepower.co.th](mailto:orapin@tpipolenepower.co.th))

##### **4. External feedback mechanism (external complainant)**

- (1) Letter: Mrs. Orapin Liaopiratana  
Vice Chairman  
TPI Polene Public Company Limited  
26/56 Chan Tad Mai Road, Tungmahamek, Sathorn, Bangkok 10120
- (2) Electronic mailbox (E-mail: [orapin@tpipolenepower.co.th](mailto:orapin@tpipolenepower.co.th))
- (3) Letter: Audit Committee  
TPI Polene Public Company Limited  
26/56 Chantad Mai Road, Tungmahamek, Sathorn, Bangkok 10120

### **Identities and confidentiality protected**

#### **1. Identities protected**

As the whistleblower or the person filing the grievance in good faith is greatly beneficial to the Company and all employees, said whistleblower or the person subject to such grievance and parties involving in the fact-finding and reporting process, regardless of the difficulties they might have, the Company will ensure that no employees shall be demoted, penalized, or be otherwise affected because they honestly decline to participate in corruption.

The Company has a policy to investigate such reports with equality, transparency, care, and fairness and subject them to a proper investigation. All information will be kept confidential and only be revealed when necessary while we will take into consideration the safety of and damage to the whistleblower or the person filing the grievance, which will be carried out in a confidential manner to ensure staff that make the reports will have their identities protected.

#### **2. Names and Confidentiality Protected**

The whistleblower or the person filing the grievance (various groups of stakeholders or employees) may choose not to reveal his or her name, address or contact number unless he or she feels that such a disclosure will enable the Company to inform him or her of the progress. Information will be kept confidential and only be revealed when necessary while we will take into consideration the safety of and damage to the whistleblower or the person filing the grievance. The Company will hear all such reports with equality, transparency, care, and fairness and subject them to a proper investigation, which will be carried out in a confidential manner to ensure the staff members who make the reports will have their identities protected.

### **Fact-Finding Process and Penalties**

1. Having received the grievance, the management representatives, whose members consist of the Compliance Unit and the Audit Committee, will be responsible for conducting an investigation.
2. During the fact-finding process, the management representatives and the Audit Committee might ask the management representatives to keep them informed of the progress of further investigation.
3. In case tips or grievances are found to contain material evidence, the person committing corruption or violating or failing to comply with the anti-corruption measures will be granted an opportunity to acknowledge the charges and will have the right to defend themselves by providing additional information or evidence that they weren't involved in any corruption or that they violated or failed to comply with the anti-corruption measures as accused.
4. In case the person who committed corruption or violated or failed to comply with the anti-corruption measures, is proven guilty, the Company will take actions in accordance with the established procedures to investigate and levy disciplinary punishment on employees at fault relating to corruption matters. Such person will be considered for discipline according to Company standards. Legal prosecution may apply in case such acts violate the laws. The management's decision is considered the final judgment for punishment on employees at fault relating to corruption matters.

### **Disclosure of the Anti-Corruption Policy**

1. The Company announces the written publication of the anti-corruption policy and measurements as a principal guideline for employees to follow.
2. The Company discloses the written publication of the anti-corruption policy and measures through the Company's channels, such as letters, the Company's website, and annual report, etc.
3. The anti-corruption policy needs to be reviewed regularly, including with a possible revision of such policy and implementation provision in order to be in accordance with business changes, regulations, standards, and laws.

## Monitoring of Compliance to Anti-Corruption Policy

The company has set goals as follows:

- Employees will receive continuous training courses on anti-corruption every year.
- Business partners are increasingly aware of the policies and guidelines regarding the organization's anti-corruption every year.

The Company has a policy to prohibit directors, executives, and employees at all levels of the Company to accept or be involved in any form of corruption, whether directly or indirectly, by requiring the Company's personnel to comply with the anti-corruption policy which is in line with the principles of Company's Code of Conduct as well as relevant rules, regulations, and laws.

The Company has defined the scope of stakeholders involved in the anti-corruption policy into 2 groups as follows: 1) within the organization, consisting of directors, executives, and employees of the Company at all levels; 2) outside the organization, consisting of customers or suppliers, contractors, subcontractors, business partners, creditors, government agencies, private agency. The main roles and duties of the Board of Directors and agencies involved in anti-corruption operations as follows:

Board of Directors	Chairman of the Management Committee and Members of the Management	Committee Audit	Head of Internal Audit Department
<ul style="list-style-type: none"> <li>Set policies and supervise to have a system that supports effective anti-corruption.</li> </ul>	<ul style="list-style-type: none"> <li>Establish a system to promote and support anti-corruption policies. to communicate to employees and stakeholders</li> <li>Review operations and policies in accordance with changing situations such as business conditions, rules, regulations, and legal requirements, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Review of financial and accounting reporting systems internal control system Internal Audit and Risk Management System to be concise, appropriate, modern, and efficient</li> </ul>	<ul style="list-style-type: none"> <li>Check and review the operation to ensure that it is in accordance with the policies, practices, authority, and regulations and laws, regulatory requirements</li> <li>Report to the Audit Committee</li> </ul>

In addition, the Company has established anti-corruption guidelines as a framework for employees at all levels with the expectation that all employees will be the eyes and ears and will not neglect when seeing actions that are considered corruption. The Company will provide fairness and have measures to protect complainants or those who cooperate in reporting corruption and to raise awareness among employees; therefore, the Company disseminates, communicates, and trains to provide knowledge about anti-corruption policy to employees regularly as well as expanding the scope of the anti-corruption policy to the Company's business partners through a campaign to encourage stakeholders to have an understanding of the behavior or neglect the practice involved in corruption.

In 2021, the Company's operating results can be summarized as follows:

1. For all departments, especially the agencies dealing with outsiders, there was an assessment of risks linked to fraud and/or corruption, with 16 entities that were assessed for risks linked to fraud, representing 100%.
2. The proportion of employees who received the anti-corruption training course is 2.54% of the total 1,142 employees. The employees are 100% aware of the anti-corruption policy.
3. Proportion of business partners who are aware of policies and guidelines of corporate anti-corruption at 90.38% of 613 trading partners.
4. There is no lawsuit in which the organization has been sued for corruption and no fraud incidents occurred with partners, cooperation partners and no corruption incidents occurred within the organization.

## 8.2 Report on the performance of the Audit Committee in 2021

### 8.2.1 Attendance of individual Audit Committee members

In 2021, the Audit Committee conducted a total of five meetings with the following details of the meetings:

Name	Position	Number of Meeting Attendance
1. Mr. Manu Leopaiprote	Chairman of the Audit Committee	5/5
2. Dr. Thiraphong Vikitset	Member of the Audit Committee	5/5
3. Dr. Abhijai Chandrasen	Member of the Audit Committee	5/5

### 8.2.2 Report on the performance of the Audit Committee in 2021

#### Audit Committee Report

The Audit Committee of TPI Polene Power Public Company Limited consists of 3 independent directors, who are all qualified with knowledge of finance, accounting, law and management administration: namely, Mr. Manu Leopaiprote as the Chairman of the Audit Committee; Dr. Thiraphong Vikitset and Dr. Abhijai Chandrasen as Audit Committee members, with Miss Weeranuch Khimkhum, the Corporate Secretary, as Secretary to the Audit Committee. All Audit Committee members possess appropriate qualifications and are, in all aspects, in compliance with the rules and regulations imposed by the Stock Exchange of Thailand.

The Audit Committee has fully performed its duties and responsibilities to review and evaluate internal control systems, disclosure of Company information, and to review implementation of the provisions of related governing laws, as well as any other important tasks such as ESG principles to be in line with the Sustainability Report, etc.. In 2021, the Audit Committee convened 5 meetings as follows:

#### 1. To review and evaluate internal control systems.

The Company has appropriate internal control systems and has operated the business efficiently and effectively under appropriate and sufficient internal controls, as supported by the operational performance report. The Company has internal controls and risk management systems that can protect against potential risks to the Company and to all related parties. The systems are in place to ensure that any mistakes and irregularities will be identified in due course; and that financial reports are accurate, adequate and reliable; and the assets used by the Company benefit all parties as well as shareholders. In addition, TPI Polene group adheres to Environmental, Social and Governance (ESG) criteria,( Environmental, Social, Corporate Governance),by embracing the Bio Circular Green Economy as a sustainable business model under the standards of good corporate governance as follows:-

**Environmental Issue:** regarding the use of energy, waste water, pollution, waste, environmental practices, with development into low-carbon societies targeting Net Zero GHG Emission, using waste fuel instead of coal, improve production efficiency to save energy, with an adherence to circular economy, to recycle waste from one plant as raw materials or fuel of another, aiming to zero waste, develop green manufacturing technology and innovation, construct rainwater reservoirs to replace natural water sources, including recycle wastewater for reuse, and get rid of covid-19 contamination waste.

**Social Issue:** regarding occupational health and safety, training and education, non-child labor, Security Practices, Human Rights Assessment, Community health and safety, data security, social and economic practices to be in compliance with labor laws and labor relations, respect human rights principles and personal information of employees, suppliers, contractors and create a good environment in the workplace with properly Occupational Health and Safety, training and developing skills for personnel and provides opportunities to progress without discrimination, provide scholarships to children of employees, conduct customer relationship activities and conduct business with trade partners in accordance with the agreements in the Partner Code of Conduct.

**Governance Issue:** regarding Economic Performance, anti- corruption policy, use technology and innovation to develop products and services and R&D to top up business with compliance with relevant regulations and transparency against corruption, under technology and innovation advancement to drive the organization while focusing on effective management with research and development results to create value added to the products, seek high return on investments and mitigate all-round risks including risk associated from climate change.

In carrying out duties and responsibilities, the Company has embraced Four Raddhippada : Basic For Success 4 and a commitment to creating a balanced happiness with a sustainable quality of life under the principles of Brahma-vihara or Four sublime states of mind and Four Noble Truths, the Heart of Buddhism (Ariyatham to the Cessation or Extinction of Suffering), which have been taught by the Buddha and has embraced the Code of Conduct as a policy for all employees to follow, by emphasizing the balanced consideration of all related parties, fair treatment to all parties concerned, including shareholders, suppliers, and contractors. The Company also fosters the development of all our staff to expand their knowledge so as to become a knowledge organization. This will further enhance our long-term development and create sustainable growth for the Company.

**2. To review the disclosure of all relevant information for investors.**

The Company has a policy of disclosing all relevant information for investors, such as connected transactions and any other transactions that might affect the interests of related parties. The Company always discloses accurate, reliable, and relevant information on a timely basis.

**3. To review and to ensure that the Company performs in compliance with all regulations and related governing laws.**

The Company has a clear policy to comply with all regulations and related governing laws, and codes of conduct, to protect against the use of insider information. As announced in the Company's Rules and Regulations, any misuse of internal information shall be subject to disciplinary action, including dismissal. The Company supervises submission by the Management of reports of their shareholding in the Company to comply with related governing laws. The Company realizes the importance of information disclosure, including financial statements and other reports, and ensures that they are complete, accurate, reliable and timely.

**4. To select, nominate, and propose the remuneration of the statutory auditors of the Company for 2021**

The Audit Committee has taken into consideration the independence, performance, experience and appropriate remuneration of auditors. The Audit Committee has passed a unanimous resolution to propose to the Company's Board of Directors for consideration and to propose to the shareholders' meeting to consider and approve the appointment of Mr. Ekkasit Chuthamsathit, CPA registration no. 4195 or Mr. Boonyarit Thanormcharoen, CPA registration no. 7900 or Mr. Natthapongse Thantijattthanond, CPA registration no. 8829, or Miss Thanyalux Keadkaew, CPA registration no. 8179, KPMG Phoomchai Audit Limited, to be the statutory auditors of the Company for 2021.

The Audit Committee considers that in the previous year, the Board of Directors as well as the Management of the Company was in complete compliance with the principles of good corporate governance with an adherence to the importance of sustainable business management. They performed their duties and responsibilities ethically, with integrity, and in a professional manner, to achieve the objectives of the Company. In addition, a product quality system, in compliance with international standards and applicable laws, has been developed. The Audit Committee recognizes that the Company is committed to social and environmental responsibility. The Company has also prepared financial reports in compliance with generally accepted accounting principles, with an adequate disclosure of information, internal control and audit systems, and is able to ensure product quality and good corporate governance, without any material deficiencies.

## **8.3 Summary of performance of other sub-committees**

1. Report of the Executive Committee, which is included with the Board of Directors report and signed by the Chairman of the Board of Directors and the President.
2. 2021 Audit Committee Report, signed by the Chairman of the Audit Committee

3. The Board of Directors Meeting no. 10/2021, on October 29, 2021, passed a resolution to approve all members of the Board of Directors to act as the Remuneration Committee of the Company and the Nomination Committee of the Company.

On December 23, 2021, the Board of Directors, acting as the Remuneration

Committee of the Company, determined the scope of the duties for determining the remuneration of the Board of Directors and its management.

## 9. Internal Controls and Inter-Company Transactions

### 9.1 Internal Controls

At the Board of Directors meeting no. 1/2565, held on January 28, 2022, attended by the three Audit Committee members, the Board considered and evaluated the sufficiency of the internal control systems of the Company by investigating the management and other relevant departments, and considering an assessment report which was prepared by the management and reviewed by the Audit Committee. These were five aspects of internal control systems as follows:

1. The organization and environmental control system
2. The risk management system
3. Management control system
4. Information and communication system
5. The monitoring system

The resultant assessment showed that the internal control systems of the Company operated appropriately and sufficiently. The Company provided sufficient employees to efficiently follow-up the internal control systems, and to sufficiently monitor the operations of the Company to safeguard the Company's assets including transactions which a possible conflict of interest might occur. The Board also considered that other aspects of the internal control systems are sufficient. The management of the Company established guidelines for business operations on the basis of integrity, ethics, and Environmental, Social and Governance (ESG) criteria, under the standards of good corporate governance by adopting principles that lead to the cessation of suffering according to the teachings of the Lord Buddha, and to be used as a guideline for the operations of executives and employees as follows:

1. **Iddhipada 4:** the Principles of Iddhipada 4: Path of accomplishment in work, which consists of the followings:

- 1.1 **Chanda (ASPIRATION):** Satisfied with the work we're performing.

First, we need to explore ourselves for what kind of job we like or what areas of work we have faith in, and then go down that path. We can start easily by questioning ourselves what we work for and whether we are happy if such job is not a loving job. In case we have time to find and adjust ourselves or adapt our faith to our work.

- 1.2 **Viriya (EFFORTS):** Diligence of the work

All work that can be done requires diligence. Viriya is another tool that can lead to success. The more we work hard, the rewards received are even more. More importantly, Viriya can be achieved with the love of work, not just dedicated the work to life but Viriya is a self- training one.

- 1.3 **Citta (CONCENTRATION)**

The mind that focuses on work is completely good for the work that is done. Chitta is Thammasa that represents conscious, prudence and responsibility and help us to work without distractions. Once we have both Chanda and Viriya, Chitta can be considered as the fence of a path that does not distract us from success.

- 1.4 **Vimansa:** Contemplation and use of wisdom to monitor work.

The best way to get the job done is in this last element of basis for success 4. Vimansa means contemplate, working with wisdom an brain thinking, not just working on it. Probably, reconsidering ourselves steadily what we have done all day, summarizing the reasons why we have done all things today and we can be encouraged in the following days to not repeat our mistakes, and can see a way to see which paths will actually lead to success.

Therefore, if Iddhipada 4 (BASIS FOR SUCCESS 4) is applied at work, one must love the work, work hard, and take responsibility for the work and know to contemplate carefully. The way of success is not beyond one's reach (Source: Division of Planning, Office of the President, Maha Sarakham University), which is the main principle of Iddhipada 4 and is the way to have success at work, a commitment to creating balanced happiness with a sustainable quality of life.

2. **Four Sublimes States of Mind** is the key principle dhamma for everyone. It is a principle of heart that will allow us to live a virtuous and purified life, according to the following principles:

- 2.1 Metta (MERCY) : Love, desire for others to be happy.
- 2.2 Karuna (KINDNESS) : Desire to get others out of their sufferings
- 2.3 Mudita (SYMPATHETIC JOY) : Pleasure that come from delighting in other people's well-being, even if one did not contribute to it.
- 2.4 Upekkha (EQUANIMIT) : Even-mindedness and serenity, treating everyone impartially

3. **Four Noble Truths**: the basic doctrine of Buddhism is a noble path leading to the complete destruction of suffering, which consists of the following:

- 3.1 Dukkha : Suffering
- 3.2 Samudaya : The Cause or Origin of Suffering
- 3.3 Nirodha : The Cessation or Extinction of Suffering can be attained by the renouncement or letting go of Tanha
- 3.4 Marga : The Path leading to the Cessation or Extinction of Suffering

For internal controls on other topics, the Board of Directors considers that the Company has adequate internal controls as well.

However, the Company has an internal audit department within the organization to ensure that the internal processes are well overseen, including risk management, internal controls, and compliance, to achieve the organization's operational objectives. The Internal Audit Department is planning an annual internal audit to determine the objectives and risk assessment of the organization by establishing an audit plan in accordance with the direction of business strategy and significant risks affecting the operation and reporting the audit results to the Audit Committee and management for consideration. Follow-up of the practice according to the recommendations found from the inspection will be reported regularly. In the performance of the internal audit department, there are no restrictions on commentary and there is no conflict between the inspection unit and the internal audit department that has not yet been concluded.

#### **The Company's Internal Audit Supervisor**

The Company has assigned Mr. Nitipong Sucharitphong, the Manager of the Internal Audit Department, to be the head of Internal Auditing of the Company because he is knowledgeable about the Company's business, and has the knowledge, skills, and experience in internal audit work for the Company's operations as appears in Attachment Three, "Details about internal audit supervisor".

## **9.2 Inter-Company Transactions**

Disclosure of information about inter-company transactions, and other transactions that might have the potential to involve conflicts of interest, is in compliance with the rules and regulations imposed by the SET and the SEC.

The Audit Committee has performed its duties and responsibilities to review inter-company transactions. The procedures used in inter-company transactions have always been subject to the normal terms and conditions of business and reflect applicable market prices. The Company established procedures for the above transactions in the same manner as for transactions with general customers and all inter-company transactions reflect applicable market prices to ensure that there are no conflicts of interest.

As of December 31, 2021, the Company had inter-company transactions with related persons, which might have the potential to involve conflicts of interest. The Directors and/or Management have considered the reasonableness of the above inter-company transactions, and all were undertaken for the maximum benefit of the Company and were subject to the normal terms and conditions of business to reflect applicable market prices and in compliance with the rules and regulations



imposed by the SET and the SEC. Details of the inter-company transactions are contained in Note 4 of the consolidated financial statements as of December 31, 2020, and December 31, 2021 which can be summarized as follows:

### 9.2.1 Inter-Company Transaction between the Company and related persons that might have the potential to involve conflicts of interest

#### (1) TPI Polene Public Company Limited (“TPIPL”)

TPIPL is a major shareholder of the Company. TPIPL holds 70.24% of paid-up capital in the Company. In addition, TPIPL and the Company have seven common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Miss Malinee Leophairut, Mrs. Orapin Leophairatana, Mr. Pakorn Leopairut, and Mr. Khantachai Vichakkhana as of December 31, 2021

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from power sales	1,982.7	1,638.8	The Company sold power generated from its power plant to TPIPL. The Company received a monthly electricity tariff from TPIPL at the same rate as the average tariff rate at which TPIPL purchased power from the PEA (the price does not include VAT). Since April 1, 2018, the Company has used tariff rate type 4 for large business, specific rates according to the time of use, according to the announcement of PEA plus Ft charge.	Classified as ordinary course of business of the Company at reasonable price and beneficial to the Company.
Revenue from petrol and gas (NGV) station	23.9	23.1	The Company sold petrol and gas at its service stations at retail market price to TPIPL for use in TPIPL's vehicles. Such retail price was applied to other customers both related and unrelated to the Company.	Classified as ordinary course of business of the Company at retail market price which is the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.
Revenue from sales of steam	35.4	34.0	The sale of steam to TPIPL occurs because the company has the steam generated from the electricity production process of the company. Therefore, the company sells steam generated from the electricity generation process to TPIPL to be used in the light weighted concrete production plant of TPI Polene at the price of 650 baht per ton, which is considered the estimated cost of steam incurred plus 10 percent of the said cost.	Classified as ordinary course of business of the Company which is the utilization of the machines that the company already must be most effective, where the company will charge steam at actual cost plus 10% margin to better reflects the opportunity cost of the Company

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from provision of labor	36.6	34.4	Labor cost to TPIPL occurred because TPI Polene has a power generation unit in the tile production plant of TPIPL but there are not enough qualified workers to operate the power plants. Therefore, it has hired the company to send workers to operate the power plants. In 2015, the company charged workers according to the cost of salaries, welfare and related expenses of workers sent to work in the power plants. However, in 2016, the company entered into an agreement with TPIPL which stipulates that the labor cost is calculated based on the cost of salary, welfare and expenses related to workers sent to work in the power plants plus 10% margin.	Classified as ordinary course of business of the Company at reasonable price and beneficial to the Company.
Expenses to purchase waste heat	31.5	20.7	In the cement production process of TPIPL, there will be a lot of waste heat left from the cement production process and the company can use such waste heat as a fuel to produce electricity efficiently. The Company entered into an agreement with TPIPL to purchase waste heat emitted from cement plant of TPIPL at BHT 0.12/Kwh	The transaction is classified as an ordinary course of business of the Company because the Company must use waste heat as one of the main fuels for power plants, which results in a lower production cost of power of the Company as compared with other fuel. Therefore, this transaction is reasonable and beneficial to the Company.
Expenses to purchase coal	1,998.0	2,315.8	The Company purchased coal from TPIPL according to the contract agreement of sale and service to use coal as a fuel for boiler testing at TPIPL' cost plus 2% margin.	The transaction is classified as an ordinary course of business of the Company and necessary for the business of the company. The said price is the price that TPIPL buys from coal traders including shipping costs plus 2% margin and adjustable subject to the actual heat value of the coal received. This transaction is reasonable and beneficial to the Company.
Expenses to purchase untreated water	285.6	313.5	The Company purchased untreated water from TPIPL for use in its power generation process according to the contract agreement of sale and service, the water price of the Provincial Waterworks Authority (PWA) is reference price and trade discounts vary according to the production cost of water (February 1, 2020)	The transaction is classified as an ordinary course of business of the Company and is necessary to the Company. In case the Company makes its own investment in water facilities, the project investment cost is too high, and it is not feasible to invest. This transaction at the rate charged is reasonable and beneficial to the Company.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Expenses to purchase shredded tire	1.6	0.0	The Company purchased shredded tires from TPIPL for use in the power generation process in power plants according to the contract agreement of sale and service that the company made with TPIPL in 2016 at production cost plus 10% margin of TPIPL.	The transaction is classified as ordinary course of business of the Company and is necessary to the Company. The price is reasonable and beneficial to the Company.
Expenses for rental of land	0.0	0.0	<p>The Company leased a number of premises from TPIPL, including land for power plant, RDF plant and petrol and gas service stations. The land lease agreement is classified by business type as follows:</p> <ul style="list-style-type: none"> <li>Waste heat power plant of the company is in the same area as the 286.8 cement plant of TPIPL for the convenience of receiving waste heat as fuel. In addition, RDF-fired power plants and coal-fired power plants are located nearby for the convenience of fuel transportation; hence, the company has a land lease agreement for the said power plants, a total area of 47-0-52.5 rai, totaling three contracts. The contract period is between 30-50 years (ending between 2042-2062). The total land rental rate is Baht 5.6 million per year which is comparable or less than the rate as offered by TPIPL to outsider related or unrelated.</li> <li>RDF plants are in the same area as the power plant for the convenience of fuel transportation. The Company has a land lease agreement for RDF plant with a total area of 1-1-11.51 rai, with a term of 30 years (ended in year 2046), and a total rental rate of Baht 0.2 million per year which is comparable or less than the rental rate as offered by TPIPL to related and unrelated tenants.</li> </ul>	The transaction is assets-related or services-related and is to support normal business of the company. It is necessary for the business of the company with the rental price set at the comparable rate as that of TPIPL offered to others. Therefore, the transaction is considered reasonable and beneficial to the company.
Advance payment	0.0	0.0		
Depreciation and interest expense	36.7	26.4		
Deferred interest	309.6	286.8		
Finance lease liabilities	777.5	740.9		

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Expenses for service fee under Framework Agreement	132.0	132.0	The Company entered into a Framework Agreement with TPIPL whereby TPIPL was engaged to perform certain tasks and responsibilities for the Company both at the factory and head office, primarily relating to, among others, purchasing, administration, accounting, finance, security service, public relations, legal, engineering, information technology, HR, and other services. The service fee was at Baht 10,000,000 per month, which was derived from service cost plus 10% margin. In 2018, the service fee was at Baht 11,000,000 per month.	The transaction is classified as an ordinary course of business of the Company with the service fee calculated from the cost of services plus 10% margin. If the company does not accept such services from TPIPL and needs to hire more staff and invest more in information technology systems, it is not worth the investment. Hence the transaction is reasonable and beneficial to the company.
Expenses for material samples analysis and industrial waste disposal service fees	193.9	60.5	The Company entered into a contract with TPIPL whereby TPIPL was engaged to perform material sample analysis and industrial waste disposal services. The material sample analysis fee consists of (1) material collection fees of Bath 100 per sample (2) materials preparation fees of Bath 300 per sample (3) analysis fees based on the material types from Bath 300- 10,400 per sample; and an industrial waste disposal services fees, based on the waste type and chloride rate, is about Bath 1,000 - 5,000 per ton with a special discount of 10% for this fee.	The transaction is classified as an ordinary course of business of the Company with the service fee referenced from Thailand Institute of Scientific and Technological Research, Institute for Scientific and Technological Research and Services (ISTRS) and Environmental Research Institute Chulalongkorn University. Hence the transaction is reasonable and beneficial to the company.

## (2) TPI Polene Bio Organics Company Limited

TPI Polene Bio Organics Company Limited is a 99.99%-owned subsidiary company of TPIPL. TPIPL holds 99.99% of paid-up capital in TPI Polene Bio Organics Co., Ltd. In addition, the Company and TPI Polene Bio Organics Co., Ltd. have eight common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana, Miss Pattrapan Leopairut, Mr. Pakorn Leopairut, Mr. Pakkapol Leopairut and Mrs. Nitawan Leophairatana as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from petrol and gas (NGV) station	0.0	0.0	The Company sold petrol and gas at its service stations at a retail market price to TPIPL for use in TPIPL's vehicles. Such a retail price was applied to other customers both related and unrelated to the Company.	Classified as an ordinary course of business of the Company at retail market price which is the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.
Expenses for purchasing products and other services	2.7	3.2	<p>The Company purchased products and services from TPI Polene Bio Organics Company Limited to use in the general operations of the Company. The transactions can be divided into the following main items:</p> <ol style="list-style-type: none"> <li>1) The Company purchased products for trading in its convenience stores at its petrol and gas stations. These included wood vinegar, organic fertilizer, dish washing liquid, etc. The purchase price of such products is set at the same price as that of TPI Polene Bio Organic, and which is sold to other customers, both related and unrelated.</li> <li>2) The Company purchases spare parts, supplies and other raw materials that TPI Polene Bio Organics Company Limited has to use in the business of the company. The purchase price of such products is determined according to the cost of TPI Polene Bio Organics Company Limited.</li> </ol>	The transaction is classified as an ordinary course of business that supports the Company's operations. The purchase price is the same price that TPI Polene Bio Organics sells to other customers, both related and unrelated to the company and/or determine the purchase price and service according to the costs incurred by TPI Polene Bio Organics, as the case may be. This transaction is therefore reasonable and beneficial to the Company.

### (3) TPI Concrete Company Limited

TPI Concrete Company Limited is a 99.99%-owned subsidiary company of TPIPL. TPIPL holds 99.99% of paid-up capital in TPI Concrete Company Limited. In addition, the Company and TPI Concrete Company Limited have four common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana and Mrs. Orapin Leophairatana as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from petrol and gas (NGV) station	0.5	0.7	The Company sold petrol and gas at its service stations at retail market price to TPIPL for use in TPIPL's vehicles. Such retail price was applied to other customers both related and unrelated to the Company.	Classified as an ordinary course of business of the Company at retail market prices which is the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.

### (4) TPI All Seasons Company Limited

TPI All Seasons Company Limited is a 99.99%-owned subsidiary company of TPIPL. TPIPL holds 99.99% of paid-up capital in TPI All Seasons Company Limited. In addition, the Company and TPI All Seasons Company Limited have six common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana, Mr. Pakorn Leopairut and Ms. Nitawan Leophairatana as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from petrol and gas (NGV) station	0.2	0.3	The Company sold petrol and gas at its service stations at retail market price to TPIPL for use in TPIPL's vehicles. Such retail prices were applied to other customers, both related and unrelated to the Company.	Classified as an ordinary course of business of the Company at retail market prices which is the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.

#### (5) Thai Nitrate Company Limited

Thai Nitrate Company Limited is a 99.99%-owned subsidiary company of TPIPL. TPIPL holds 99.99% of paid-up capital in Thai Nitrate Company Limited. In addition, the Company and Thai Nitrate Company Limited have six common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana and Mrs. Orapin Leophairatana, Mr. Pakorn Leopairut and Mr. Pakkapol Leopairut as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from petrol and gas (NGV) station	0.0	0.0	The Company sold petrol and gas at its service stations at retail market price to TPIPL for use in TPIPL's vehicles. Such retail prices were applied to other customers, both related and unrelated to the Company.	Classified as an ordinary course of business of the Company at retail market prices which are the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.

#### (6) Bangkok Union Life Insurance Public Company Limited

Bangkok Union Life Insurance Public Company Limited is 25.00% held by TPI Polene Public Company Limited, 9.60% held by Bangkok Union Insurance Public Company Limited and 15.18% by Leophairatana group. In addition, the Company and Bangkok Union Life Insurance Public Company Limited have three common directors including: Mr. Pramuan Leophairatana, Mr. Prayad Liewphairatana and Miss Malinee Leophairut as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from petrol and gas (NGV) station	0.0	0.0	The Company sold petrol and gas at its service stations at retail market prices to TPIPL for use in TPIPL's vehicles. Such retail prices were applied to other customers both related and unrelated to the Company.	Classified as an ordinary course of business of the Company at retail market prices which are the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.
Expenses for insurance premium	3.4	3.2	The company purchased a life insurance policy as welfare for the employees of the company. Bangkok Union Life Insurance's premium rate is the best rate and is the same rate that Bangkok Union Life Insurance Plc. collected from other related and non-related customers.	Classified as an ordinary course of business of the Company. This transaction was made on a bidding basis at market prices. Bangkok United Life Insurance's premium rate is comparable to the rate that Bangkok Union Life Insurance Plc. collected from other related and non-related customers. This transaction is the refore reasonable and beneficial to the Company.
Advance for insurance premium	0.7	0.7		



**(7) Bangkok Union Insurance Public Company Limited**

Bangkok Union Insurance Public Company Limited is 12.87% held by Leophairatana Enterprises Co. Ltd., 12.74% held by Bangkok Union Life Insurance Public Company Limited, 9.19% by Thanapornchai Enterprises Co. Ltd. and 14.57% by Leophairatana group. In addition, the Company and Bangkok Union Insurance Public Company Limited have three common directors including: Mr. Prachai Leophairatana, Miss Malinee Leophairut and Mr. Manu Leopairot as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Revenue from petrol and gas (NGV) station	0.1	0.1	The Company sold petrol and gas at its service stations at retail market price to TPIPL for use in TPIPL's vehicles. Such retail price was applied to other customers both related and unrelated to the Company.	Classified as ordinary course of business of the Company at retail market price which is the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.
Expenses for insurance premium	79.6	88.6	The Company purchased property risk insurance, construction insurance, third party liability insurance, money insurance and legal liability insurance arising from the type 3 controlled businesses under the law on fuel control, which relates to the operation of natural gas control (NGV). The company has negotiated insurance rates before purchasing the policy and renews insurance and the insurance premium rate is the same rate that Bangkok Union Insurance collected from both related and non-related customers.	Classified as ordinary course of business of the Company. This transaction was made on bidding basis at market price. Bangkok United Insurance's premium rate is comparable to the rate that Bangkok Union Insurance Plc. collected from other related and non-related customers. This transaction is therefore reasonable and beneficial to the Company.
Advance for insurance premium	35.6	49.0		

#### (8) United Grain Industry Company Limited

United Grain Industry Company Limited is 52.63% held by Leophairatana Enterprises Co. Ltd., 19.00% held by TPI Polene Plc. and 15.71% by Leophairatana group. In addition, the Company and United Grain Industry Company Limited have nine common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana, Miss Malinee Leophairut, Miss Pattrapan Leophairut, Mr. Pakorn Leophairut, Mr. Pakkapol Leophairut and Ms. Nitawan Leophairatana as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Expenses for land rental	0.0	0.0	Land rental is a normal business support transaction of the company. The Company have RDF plant and oil and gas (NGV) service stations located on the land of United Grain Industry Company, therefore, entered into a land lease agreement for business use of RDF plant and oil and gas (NGV) service stations, which are classified by business type as follows:  <ul style="list-style-type: none"> <li>RDF plants are in the same area as the power plant for the convenience of fuel transportation. The Company has a land lease agreement for RDF plants with a total area of 46-1-67.18 rai, with a term of 30 years (contract ends 2046) with a total rental rate of Baht 5.6 million per year, which is at the same level or not higher than the rental price that the United Grain Industry provides to others, both related and non-related.</li> <li>Petrol and gas service stations (NGV) Changsanit branch, was located in Jaeramae District, Ubon Ratchathani providing services to general customers in such areas. The Company has entered into the land lease agreements for oil and gas service stations. (NGV) for a total area of 2-3-44.5 rai, the contract period is three years, ending the contract in June 2022, with the total land rental rate of Baht 1.0 million per year which is at the same rate that United Grain Industry offered to others, both related and non- related.</li> </ul>	Classified as ordinary course of business at market rate as offered by United Grain Industry Co., Ltd. to both related parties and non-related parties. This transaction is therefore reasonable and beneficial to the Company.
Payable advance for land rental	0.0	0.0		
Depreciation and interest expense	12.6	9.8		
Deferred interest	97.6	91.7		
Finance lease liabilities	252.7	245.4		

**(9) Pornchai Enterprises Company Limited**

Pornchai Enterprises Company Limited is 75.12% held by Leophairatana Enterprises Co. Ltd., 0.65% held by TPI Polene Plc. and 0.33% by Leophairatana group. In addition, the Company and Pornchai Enterprises Company Limited have five common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana and Miss Malinee Leophairut as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal Year ended 31 December 2020	Fiscal Year ended 31 December 2021		
Expenses for office rental	0.6	0.6	The company rented the 8th floor of the TPI Tower building for use as a 186-square-meter office space. The lease term is three years. The contract expires in May 2022 with the rental rate of Baht 160.0 per square meter per month and the service fee is baht 240.0 per square meter per month which is at the same level or not higher than the rental rate Pornchai Enterprises offered to others, both related and non-related.	Classified as an ordinary course of business and is necessary for business operations of the Company. The rental price is set at a rate that is not higher than the general market price compared to similar properties and is in the vicinity and at the same rate Pornchai Enterprises offered to others. This transaction is therefore reasonable and beneficial to the Company.
Deposit	0.2	2.3		
Depreciation and interest expense	0.4	1.9		
Deferred interest	0.0	1.2		
Finance lease liabilities	0.6	8.5		

**(10) Thanapornchai Enterprises Company Limited**

Pornchai Enterprises Company Limited is 25.13% held by Leophairatana Enterprises Co. Ltd., 9.81% held by Thanapornchai Enterprises Company Limited and 21.49% by Leophairatana group. In addition, the Company and Thanapornchai Enterprises Company Limited have nine common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana, Miss Malinee Leophairut, Miss Pattrapan Leophairut, Mr. Pakorn Leophairut, Mr. Pakkapol Leophairut and Ms. Nitawan Leophairatana as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal Year ended 31 December 2020	Fiscal Year ended 31 December 2021		
Expenses for Land rental	0.0	0.0	The Company rents the land for use in the business of two oil stations and gas (NGV) locations, namely Puchao Samingphrai Branch in Samutprakan Province and Phayuha Khiri Branch in Nakhonsawan Province to provide services to general customers. The two areas are located along the road that attracts traffic of various vehicles which is the target customer of the service station. The company has a land lease agreement for two oil and	Classified as an ordinary course of business and necessary for business operations of the Company. The rental price is set at a rate that is not higher than the general market price compared to similar properties and is in the vicinity and at the same rate Thanapornchai Enterprises offered to others. This transaction is therefore reasonable and beneficial to the Company.
Depreciation and interest expense	1.4	0.9		
Deferred interest	0.5	0.3		

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal Year ended 31 December 2020	Fiscal Year ended 31 December 2021		
Finance lease liabilities	5.9	4.6	gas (NGV) stations, with a total area of 4-2-11 rai. The contract period is three years, ending in June 2022 with rental rate of Baht 1.3 million per year which is the same rate Thanapornchai Enterprise offered to others, both related and non-related.	

**(11) Saraburi Cotton Factory Company Limited**

Saraburi Cotton Factory Company Limited is 23.12% held by Leophairatana group, 5.75% held by Leophairatana Enterprises Co. Ltd. In addition, the Company and Saraburi Cotton Factory Company Limited have six common directors including: Mr. Prachai Leophairatana, Mrs. Orapin Leophairatana, Miss Pattrapan Leophairut, Mr. Pakorn Leophairut, Mr. Pakkapol Leophairut and Ms. Nitawan Leophairatana as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Expenses for Land rental	0.0	0.0	The Company rents the land for use in the business of oil stations and gas (NGV) locations, Pakkaosan Branch in Saraburi Province to provide services to general customers. The area is located along the road that attracts traffic of various vehicles which is the target customer of the service station. The company has a land lease agreement for the oil and gas (NGV) stations, with a total area of 2-2-11.75 rai. The contract period is three years, ending in June 2022 with rental rate of Baht 1.3 million per year which is in the same rate Saraburi Cotton Factory Company Limited offered to others, both related and non-related.	Classified as an ordinary course of business and necessary for the business operations of the Company. The rental price is set at a rate that is not higher than the general market price compared to similar properties and is in the vicinity and at the same rate Saraburi Cotton Factory Company Limited offered to others. This transaction is therefore reasonable and beneficial to the Company.
Depreciation and interest expense	1.4	0.9		
Deferred interest	0.5	0.3		
Finance lease liabilities	5.9	4.6		

**(12) Leophairatana Enterprises Company Limited**

Leophairatana Enterprises Company Limited is 88.40% held by Leophairatana group, 6.25% by Pornchai Enterprises Co. Ltd., 2.19 % held by TPI Holdings Company Limited and 0.94 % by TPI EOEG Co. Ltd. In addition, the Company and Thanapornchai Enterprises Company Limited have five common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana and Miss Malinee Leophairut as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Expenses for Land rental	0.0	0.0	The Company rents the land for use in the business of three oil stations and gas (NGV) locations, namely On Nut branch, Sudbantat branch, and Soi Klang branch in Bangkok to provide services to general customers. The three areas are located along the road that attracts traffic of various vehicles which is the target customer of the service station. The company has a land lease agreement for three oil and gas (NGV) stations, with a total area of 7-0-42 rai. The contract period is three years, ending in June 2022 with rental rate of Baht 4.0 million per year which is in the same rate Leophairatana Enterprises Company Limited offered to others, both related and non-related.	Classified as an ordinary course of business and necessary for the business operations of the Company. The rental price is set at a rate that is not higher than the general market price compared to similar properties and is in the vicinity and at the same rate Leophairatana Enterprises Company Limited offered to others. This transaction is therefore reasonable and beneficial to the Company.
Depreciation and interest expense	4.2	2.7		
Deferred interest	1.5	0.9		
Finance lease liabilities	17.8	13.9		

### (13) TPI Healthcare Company Limited

TPI Healthcare Company Limited is 99.99% held by Leophairatana group, 6.25% by Pornchai Enterprises Co. Ltd., 2.19 % held by TPI Holdings Company Limited and 0.94 % by TPI EOEG Co. Ltd. In addition, the Company and Thanapornchai Enterprises Company Limited have five common directors including: Mr. Prachai Leophairatana, Dr. Pramuan Leophairatana, Mr. Prayad Liewphairatana, Mrs. Orapin Leophairatana and Miss Malinee Leophairut as of December 31, 2021.

Transaction	Transaction Size (Million BHT)		Necessity and Reasonableness	Opinion of the Audit Committee
	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021		
Expenses for Product purchases	7.9	13.7	The Company purchases products from TPI Healthcare Company Limited for sales promotion at the Company's petrol stations such as drinks. The purchase price of the product is the same rate that TPI Healthcare Company Limited offered to others, both related and non-related	Classified as an ordinary course of business of the Company at retail market price which is the same level that the company sold to other customers, both related and not related to the company; hence, the transaction is reasonable and beneficial to the company.

The details of the connected transactions for 2019 can be found in the annual report of the company through the company's website ([www.tpipolenepower.co.th](http://www.tpipolenepower.co.th))

#### Procedures to approve Related Transactions

The Company's Board of Directors' meeting no. 2/2564, held on February 10, 2021, passed a resolution to establish and approve policies governing related party transactions as follows:

1. The Company is required to comply with measures and approval procedures set forth in the relevant rules and regulations of the SEC and the SET, concerning related party transactions and relevant disclosure requirements. The procedures used in related party transactions have always been subject to the normal terms and conditions of business and reflect applicable market prices. The Directors and people who have potential conflicts of interest will not attend the Board of Directors' meeting with an agenda item to consider and approve the related party transactions.
2. The Board of Directors will provide procedures to approve the related party transactions to be carried out under the standards of integrity and reviewed by the Audit Committee to be in the best interest of the Company and its shareholders. This complies with the SEC and the SET regulations. The Company will disclose the related party transactions to the public accurately and completely. The related party transactions are subject to reflect applicable market prices.

#### Policy for the Related Party Transactions

To have the related party transactions carried out on transparent basis, the Company has a policy for the related party transactions as follows:

1. The Company expects to continue its business transactions with major shareholders and related parties in the normal course of its business without conflict of interest. The Company is committed to comply with regulations of the SET and related authorities based on reasonable criteria and applicable market prices.

2. In case there will be any related party transactions occurring in the future, the Company will carry out the related party transaction to be in compliance with regulations of the Securities and Exchange Act B.E 2535. Disclosure of related party transactions shall be in accordance with the relevant rules and regulations of the SET as well as prevailing accounting policy.
3. In case the related party transactions continuously occur as a normal course of business, the Company has policies and measures in place to regulate such related party transactions to be carried out under normal commercial terms and conditions with fair and reasonable prices. Such transactions can be audited and are in compliance with the normal terms and conditions of general trading, which will be approved by the Board of Directors.
4. In case there are related party transactions or any amendments of the agreement and terms in relation to any transaction with major shareholders, directors or management or any person, in which conflict of interests might occur, such transactions are subject to an approval process in which only unconnected persons may participate.

#### **Potential Future Related Transactions**

The Company expects to continue its business transactions with major shareholders and/or related parties in the normal course of its business. Such transactions are necessary to the business operations of the Company. The transactions are as follows:

1. To sell power to TPIPL;
2. To sell petrol and gas at petrol and gas stations to TPIPL group and persons that might have the potential to involve conflicts of interest;
3. To lease a number of premises, including land and office space, from TPIPL group and persons that might have the potential to involve conflicts of interest;
4. To purchase / to sell products and services with TPIPL group as follows:
  - To purchase products and services i.e., waste heat, untreated water, coal, spare parts, and services provided by TPIPL at both factory and head office to support the Company's operation under the Framework Agreement;
  - To sell products and services to TPIPL i.e., steam, provision of labor for repair and maintenance of power plants;
5. To purchase/sell various products and services within TPIPL group such as RDF, organic material, spares parts and other raw materials;
6. To purchase all risk insurance cover and life insurance cover from related parties that might have the potential to involve conflicts of interest.

The Company adheres to practices for the connected transactions to comply with measures and approval procedures set forth in the relevant rules and regulations of the Securities and Exchange Act B.E 2535, the Capital Market Supervisory Board, the SEC, and the SET including the policy and related notifications of the Company such as Code of Practice, policies governing related party transactions.



# 3

## Financial statements

Financial statements for the year ended 31 December 2021



# **TPI Polene Power Public Company Limited and its Subsidiaries**

**Financial statements for the year ended 31 December 2021  
and Independent Auditor's Report**

## **To the Shareholders of TPI Polene Power Public Company Limited**

### *Opinion*

I have audited the consolidated and separate financial statements of TPI Polene Power Public Company Limited and its subsidiaries (the “Group”) and of TPI Polene Power Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Based on my consideration and professional judgement, I have determined that there are no key audit matters to communicate in my report.

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated 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 consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 and request that the correction be made.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the consolidated 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

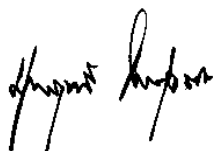
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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 Group's and 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 Group's and 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 consolidated 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group 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 consolidated 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.



(Bunyarit Thanormcharoen)  
Certified Public Accountant  
Registration No. 7900

KPMG Phoomchai Audit Ltd.  
Bangkok  
17 February 2022



**Statement of financial position**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		31 December	31 December	31 December	31 December
<b>Assets</b>	<i>Note</i>	2021	2020	2021	2020
<i>(in thousand Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents	5	929,343	1,790,584	785,733	1,649,322
Trade accounts receivable	4, 6	2,561,002	2,425,686	2,561,002	2,425,686
Other receivables		229,658	148,498	228,091	146,931
Short-term loan to related party	4	230,624	-	230,624	-
Receivables and advances to related parties	4	56,281	40,139	56,281	40,139
Inventories	7	1,590,800	1,248,860	1,590,800	1,248,860
Other current financial assets		3,980,578	1,496,238	3,978,578	1,496,238
Other current assets		12,316	8,062	12,065	7,807
<b>Total current assets</b>		<b>9,590,602</b>	<b>7,158,067</b>	<b>9,443,174</b>	<b>7,014,983</b>
<b>Non-current assets</b>					
Other non-current financial assets	30	185,549	188,049	5,102	5,183
Investment in subsidiaries	9	-	-	331,820	329,933
Property, plant and equipment	10	37,808,799	35,605,612	37,804,425	35,601,238
Right-of-use assets	11	620,585	650,619	620,585	650,619
Advances for machine and equipment		131,814	58,590	131,814	58,590
Deferred tax assets	26	94,013	82,262	94,013	82,262
Other non-current assets		53,988	31,953	53,988	31,953
<b>Total non-current assets</b>		<b>38,894,748</b>	<b>36,617,085</b>	<b>39,041,747</b>	<b>36,759,778</b>
<b>Total assets</b>		<b>48,485,350</b>	<b>43,775,152</b>	<b>48,484,921</b>	<b>43,774,761</b>

**Statement of financial position**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Liabilities and equity</b>					
<i>(in thousand Baht)</i>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	12, 30	-	239,625	-	239,625
Trade accounts payable	4, 13	430,396	432,516	430,396	432,516
Other payables	14	306,882	791,216	306,673	791,009
Payables and advances from related parties	4	47,604	66,227	47,570	66,197
Current portion of lease liabilities	11, 12	20,241	14,849	20,241	14,849
Current portion of debentures	12, 30	4,000,000	4,000,000	4,000,000	4,000,000
Interest payable		66,130	53,238	66,130	53,238
Income tax payable		43,958	47,466	43,795	47,316
Other current liabilities	15	143,250	139,057	143,231	139,057
<b>Total current liabilities</b>		<b>5,058,461</b>	<b>5,784,194</b>	<b>5,058,036</b>	<b>5,783,807</b>
<b>Non-current liabilities</b>					
Lease liabilities	11, 12	630,204	645,181	630,204	645,181
Debentures	12, 30	11,523,600	8,000,000	11,523,600	8,000,000
Non-current provisions for employee benefits	16	151,657	152,705	151,657	152,705
Decommissioning costs	4, 17	269,607	264,934	269,607	264,934
<b>Total non-current liabilities</b>		<b>12,575,068</b>	<b>9,062,820</b>	<b>12,575,068</b>	<b>9,062,820</b>
<b>Total liabilities</b>		<b>17,633,529</b>	<b>14,847,014</b>	<b>17,633,104</b>	<b>14,846,627</b>

**Statement of financial position**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Liabilities and equity</b>					
<i>(in thousand Baht)</i>					
<b>Equity</b>					
Share capital:					
Authorised share capital					
<i>(8,400 million ordinary shares, par value at Baht 1 per share)</i>		8,400,000	8,400,000	8,400,000	8,400,000
Issued and paid share capital					
<i>(8,400 million ordinary shares, par value at Baht 1 per share)</i>		8,400,000	8,400,000	8,400,000	8,400,000
Shares premium:					
Shares premium on ordinary shares		14,580,886	14,580,886	14,580,886	14,580,886
Retained earnings					
Appropriated					
Legal reserve	18	840,000	840,000	840,000	840,000
Unappropriated		7,030,754	5,107,424	7,030,754	5,107,424
Other component of equity		177	(176)	177	(176)
<b>Equity attribute to owners of the Company</b>		<b>30,851,817</b>	<b>28,928,134</b>	<b>30,851,817</b>	<b>28,928,134</b>
Non-controlling interests		4	4	-	-
<b>Total equity</b>		<b>30,851,821</b>	<b>28,928,138</b>	<b>30,851,817</b>	<b>28,928,134</b>
<b>Total liabilities and equity</b>		<b>48,485,350</b>	<b>43,775,152</b>	<b>48,484,921</b>	<b>43,774,761</b>

**Statement of comprehensive income**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
<i>(in thousand Baht)</i>					
<b>Revenue</b>					
Revenue from sale of power and goods	19, 27	6,104,727	6,333,227	6,104,727	6,333,227
Revenue from adders	19, 27	4,969,105	4,786,123	4,969,105	4,786,123
		<b>11,073,832</b>	<b>11,119,350</b>	<b>11,073,832</b>	<b>11,119,350</b>
Cost of sales of power and goods		(6,186,729)	(6,027,657)	(6,186,729)	(6,027,657)
<b>Gross profit</b>		<b>4,887,103</b>	<b>5,091,693</b>	<b>4,887,103</b>	<b>5,091,693</b>
Investment income		43,846	42,860	36,669	35,427
Other income	20	240,582	281,792	240,582	281,765
<b>Total income</b>		<b>5,171,531</b>	<b>5,416,345</b>	<b>5,164,354</b>	<b>5,408,885</b>
Distribution costs	21	(65,443)	(66,437)	(65,443)	(66,437)
Administrative expenses	22	(581,808)	(432,729)	(576,519)	(432,477)
Net foreign exchange loss		(15,030)	(3,991)	(15,030)	(3,991)
<b>Total expenses</b>		<b>(662,281)</b>	<b>(503,157)</b>	<b>(656,992)</b>	<b>(502,905)</b>
<b>Profit from operations</b>		<b>4,509,250</b>	<b>4,913,188</b>	<b>4,507,362</b>	<b>4,905,980</b>
Finance costs	25	(207,786)	(285,182)	(207,786)	(285,350)
Share of profit of subsidiaries		-	-	1,534	7,006
<b>Profit before income tax expense</b>		<b>4,301,464</b>	<b>4,628,006</b>	<b>4,301,110</b>	<b>4,627,636</b>
Tax expense	26	(110,134)	(122,181)	(109,780)	(121,812)
<b>Profit for the year</b>		<b>4,191,330</b>	<b>4,505,825</b>	<b>4,191,330</b>	<b>4,505,824</b>

**Statement of comprehensive income**

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended		Year ended	
		31 December		31 December	
	Note	2021	2020	2021	2020
		(in thousand Baht)			
<b>Other comprehensive income (expense)</b>					
<b>Items that will be reclassified subsequently</b>					
<b>to profit or loss</b>					
Exchange differences on translating					
foreign operations		353	(18)	-	-
Share of other comprehensive income (expense)					
of subsidiaries		-	-	353	(18)
<b>Total items that will be reclassified</b>					
<b>subsequently to profit or loss</b>		<b>353</b>	<b>(18)</b>	<b>353</b>	<b>(18)</b>
<b>Other comprehensive income (expense) for the year,</b>					
<b>net of tax</b>		<b>353</b>	<b>(18)</b>	<b>353</b>	<b>(18)</b>
<b>Total comprehensive income for the year</b>		<b>4,191,683</b>	<b>4,505,807</b>	<b>4,191,683</b>	<b>4,505,806</b>
<b>Profit attributable to:</b>					
Owners of the parent		4,191,330	4,505,824	4,191,330	4,505,824
Non-controlling interests		-	1	-	-
<b>Profit for the year</b>		<b>4,191,330</b>	<b>4,505,825</b>	<b>4,191,330</b>	<b>4,505,824</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		4,191,683	4,505,806	4,191,683	4,505,806
Non-controlling interests		-	1	-	-
<b>Total comprehensive income (expense) for the year</b>		<b>4,191,683</b>	<b>4,505,807</b>	<b>4,191,683</b>	<b>4,505,806</b>
<b>Basic earnings per share (in Baht)</b>	28	<b>0.499</b>	<b>0.536</b>	<b>0.499</b>	<b>0.536</b>

## Statement of changes in equity

	Consolidated financial statements								
	Note	Issued and paid-up share capital	Share premium	Retained earnings			Equity attributable to owners of the parent	Non-controlling interests	Total equity
				Legal reserve	Unappropriated	Translation reserve			
<i>(in thousand Baht)</i>									
Year ended 31 December 2020									
Balance at 1 January 2020		8,400,000	14,580,886	763,640	3,365,960	(158)	27,110,328	3	27,110,331
Transaction with owners, recorded directly in equity									
Contributions by and distributions to owners of the parent									
Dividends	29	-	-	-	(2,688,000)	-	(2,688,000)	-	(2,688,000)
Total contributions by and distributions to owners of the parent		-	-	-	(2,688,000)	-	(2,688,000)	-	(2,688,000)
Total transactions with owners, recorded directly in equity		-	-	-	(2,688,000)	-	(2,688,000)	-	(2,688,000)
Comprehensive income (expense) for the year									
Profit		-	-	-	4,505,824	-	4,505,824	1	4,505,825
Other comprehensive income (expense)		-	-	-	-	(18)	(18)	-	(18)
Total comprehensive income (expense) for the year		-	-	-	4,505,824	(18)	4,505,806	1	4,505,807
Transfer to legal reserve	18	-	-	76,360	(76,360)	-	-	-	-
Balance at 31 December 2020		8,400,000	14,580,886	840,000	5,107,424	(176)	28,928,134	4	28,928,138

## Statement of changes in equity

Consolidated financial statements									
		Retained earnings			Other components of equity				
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translation reserve	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Note								
(in thousand Baht)									
Year ended 31 December 2021									
Balance at 1 January 2021		8,400,000	14,580,886	840,000	5,107,424	(176)	28,928,134	4	28,928,138
Transaction with owners, recorded directly in equity									
Contributions by and distributions to owners of the parent									
Dividends	29	-	-	-	(2,268,000)	-	(2,268,000)	-	(2,268,000)
Total contributions by and distributions to owners of the parent									
		-	-	-	(2,268,000)	-	(2,268,000)	-	(2,268,000)
Total transactions with owners, recorded directly in equity									
		-	-	-	(2,268,000)	-	(2,268,000)	-	(2,268,000)
Comprehensive income (expense) for the year									
Profit		-	-	-	4,191,330	-	4,191,330	-	4,191,330
Other comprehensive income (expense)		-	-	-	-	353	353	-	353
Total comprehensive income (expense) for the year									
		-	-	-	4,191,330	353	4,191,683	-	4,191,683
Balance at 31 December 2021									
		8,400,000	14,580,886	840,000	7,030,754	177	30,851,817	4	30,851,821



## Statement of changes in equity

		Separate financial statements					
		Retained earnings			Other components of equity		
							</

## Statement of changes in equity

		Separate financial statements					
		Retained earnings			Other components of equity		
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Share of other comprehensive income of subsidiaries using equity method	Total equity
	Note						
(in thousand Baht)							
Year ended 31 December 2021							
Balance at 1 January 2021		8,400,000	14,580,886	840,000	5,107,424	(176)	28,928,134
Transaction with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends	29	-	-	-	(2,268,000)	-	(2,268,000)
Total contributions by and distributions to owners		-	-	-	(2,268,000)	-	(2,268,000)
Comprehensive income (expense) for the year							
Profit		-	-	-	4,191,330	-	4,191,330
Other comprehensive income (expense)		-	-	-	-	353	353
Total comprehensive income (expense) for the year		-	-	-	4,191,330	353	4,191,683
Balance at 31 December 2021		8,400,000	14,580,886	840,000	7,030,754	177	30,851,817

**Statement of cash flows**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Year ended		Year ended	
	31 December		31 December	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the year	4,191,330	4,505,825	4,191,330	4,505,824
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Depreciation	917,058	875,925	917,058	875,925
Interest income	(28,212)	(28,819)	(21,035)	(21,386)
Finance costs	207,786	285,182	207,786	285,350
Unrealised (gain) loss on foreign exchange	3,964	(5,659)	3,964	(5,632)
Reversal of loss on inventories devaluation	(5,961)	(3,985)	(5,961)	(3,985)
Gain on disposal of equipment	(37)	-	(37)	-
(Gain) loss on fair value adjustment	(11,095)	3,980	(11,095)	3,980
Share of profit of subsidiaries				
accounted for using equity method	-	-	(1,534)	(7,006)
Provision for employee benefits	-	2,978	-	2,978
Tax expense	110,134	122,181	109,780	121,812
	<u>5,384,967</u>	<u>5,757,608</u>	<u>5,390,256</u>	<u>5,757,860</u>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	(135,316)	(277,410)	(135,316)	(277,410)
Other receivables	(80,811)	(99,232)	(80,811)	(99,063)
Receivables and advances to related parties	(16,142)	7,898	(16,142)	7,924
Inventories	(335,979)	(192,370)	(335,979)	(192,370)
Other current assets	(4,254)	(3,185)	(4,258)	(2,951)
Other non-current assets	(22,035)	(10,690)	(22,035)	(10,690)
Trade accounts payable	(2,120)	(7,317)	(2,120)	(7,317)
Other payables	(488,342)	(222,759)	(488,344)	(222,904)
Payables and advances from related parties	(18,623)	(27,758)	(18,627)	(27,694)
Other current liabilities	4,193	(7,019)	4,174	(7,019)
Provisions for employee benefits	(1,048)	(1,392)	(1,048)	(1,392)
Net cash generated from operating activities	<u>4,284,490</u>	<u>4,916,374</u>	<u>4,289,750</u>	<u>4,916,974</u>
Taxes paid	(125,393)	(101,521)	(125,052)	(101,302)
Corporate income tax refund received	-	5,590	-	5,590
<b>Net cash from operating activities</b>	<u><b>4,159,097</b></u>	<u><b>4,820,443</b></u>	<u><b>4,164,698</b></u>	<u><b>4,821,262</b></u>

**Statement of cash flows**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Year ended		Year ended	
	31 December		31 December	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Interest received	35,493	34,632	28,316	26,624
Acquisition of property, plant and equipment	(2,671,732)	(5,930,795)	(2,671,732)	(5,926,421)
Proceeds from sale of equipment	149	-	149	-
Advances payment for machine and equipment	(150,776)	(137,688)	(150,776)	(137,688)
(Increase) decrease in equity and debt instruments	(2,478,999)	1,150,978	(2,479,418)	1,150,478
Cash outflow on loan to related party	(2,138,960)	(695,000)	(2,138,960)	(695,000)
Proceeds from repayment of loans to related party	1,908,960	695,000	1,908,960	695,800
Net cash outflow on acquisition of subsidiary	-	(2,959)	-	(2,959)
<b>Net cash used in investing activities</b>	<b>(5,495,865)</b>	<b>(4,885,832)</b>	<b>(5,503,461)</b>	<b>(4,889,166)</b>
<b><i>Cash flows from financing activities</i></b>				
Proceeds from short-term loans from financial institutions	-	341,529	-	341,529
Repayment of short-term loans from financial institutions	(240,000)	(105,000)	(240,000)	(105,000)
Proceeds from short-term loan from related party	-	-	-	105,000
Repayment of short-term loan from related party	-	-	-	(105,000)
Payment of lease liabilities	(16,821)	(12,625)	(16,821)	(12,625)
Finance costs paid	(523,649)	(369,912)	(523,649)	(370,080)
Dividends paid to owners of the Company	(2,268,000)	(2,688,000)	(2,268,000)	(2,688,000)
Proceeds from issuing debentures	7,523,600	4,000,000	7,523,600	4,000,000
Repayment of debentures	(4,000,000)	-	(4,000,000)	-
<b>Net cash from financing activities</b>	<b>475,130</b>	<b>1,165,992</b>	<b>475,130</b>	<b>1,165,824</b>

**Statement of cash flows**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Year ended 31 December		Year ended 31 December	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rates changes	(861,638)	1,100,603	(863,633)	1,097,920
Effect of exchange rate changes	397	(50)	44	(32)
Cash and cash equivalents from changes in				
holding of investments in subsidiary	-	475	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(861,241)</b>	<b>1,101,028</b>	<b>(863,589)</b>	<b>1,097,888</b>
Cash and cash equivalents at 1 January	1,790,584	689,556	1,649,322	551,434
<b>Cash and cash equivalents at 31 December</b>	<b>929,343</b>	<b>1,790,584</b>	<b>785,733</b>	<b>1,649,322</b>
<b><i>Non-cash transactions</i></b>				
Provision for decommissioning costs				
capitalised in assets	238,950	239,423	238,950	239,423
Other payables - plant and equipment	50,030	481,910	50,030	481,910
Advances for machine and equipment	131,814	58,590	131,814	58,590

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the audit committee, as appointed by the Board of Directors of the Company on 17 February 2022.

## **1 General information**

TPI Polene Power Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 26/56, TPI Tower, Chan Tat Mai Road, Tungmahamek, Sathorn, Bangkok.

The Company was listed on the Stock Exchange of Thailand (“SET”) on 5 April 2017.

The ultimate parent company during the financial year was TPI Polene Public Company Limited, “parent company”, which is incorporated in Thailand and is the major shareholder and the parent of the Company and owned 70.24% of the Company’s issued and paid-up share capital.

The principal business of the Company are manufacturing and distributing electricity and refuse derived fuel (RDF), organics waste and distributing diesel and natural gas 12 stations. Details of the Company’s subsidiaries as at 31 December 2021 and 2020 are given in note 9.

## **2 Basis of preparation of the financial statements**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in each notes have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### **3 Significant accounting policies**

#### **(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”)

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group recognised investments in associates using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### *Business combinations*

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

The Group elect to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is an assets rather than a business acquisition when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration, and equity interests issued by the Group. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**(b) Investments in subsidiaries**

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the equity method.

Interest in subsidiaries is accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the separate financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence, control or joint control ceases.

*Disposal of investments in the separate financial statements*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

**(c) Foreign currencies**

Transactions in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

### *Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

## **(d) Financial instruments**

### *(d.1) Classification and measurement*

Debt securities that the Group issued are initially recognised when they are originated. Other financial assets and financial liabilities (except trade accounts receivables (see note 3(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition or issue of the securities, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition or issue of the securities are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

#### *(d.2) Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(d.3) Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

*(d.4) Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

**(f) Trade accounts receivable**

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

**(g) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated as follows:

- 1) Finished goods: Diesel and natural gas are calculated using the first in first out principle.
- 2) Inventories other than those mentioned in 1) are calculated using the weighted average cost principle.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.



**(h) Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Buildings and other constructions	20 and 30 years
Machinery	5 - 30 years
Tools and factory equipment	3 - 20 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	10 years

**(i) Leases**

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*As a lessee*

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*As a lessor*

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the accounting period in which they are earned.

**(j) *Impairment of non-financial assets***

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(k) Employee benefits**

*Defined contribution plans*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(l) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(m) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

**(n) Revenue from contracts with customers**

*Revenue recognition*

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

*Sale of goods*

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

*Sale of electricity*

Income from the sale of electricity is recognised in profit or loss in accordance with delivery units supplied and price as stipulated in the contract. Incomes from the sale of electricity to Electricity Generating Authority of Thailand (“EGAT”) is entitled to receive ADDER for the period of 7 years from the commencement of commercial sales. Thereafter, subsequent to this initial period income from sale of electricity is recognised at normal rates.

**(o) Income tax**

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of 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 is recognised 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 recognised for the 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 joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. 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 realised.

**(p) *Earnings per share***

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

**(q) *Related parties***

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

**(r) *Segment information***

Segment results that are reported to the Group's the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly insert unallocated items, e.g. corporate assets.

#### 4 Related parties

Relationships with subsidiaries are described in notes 9. Other related parties that the Group had significant transactions with during the year were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
TPI Polene Public Co., Ltd.	Thailand	Parent, 70.24% shareholding, some common directors
Pornchai Enterprise Co., Ltd.	Thailand	Some common directors
Bangkok Union Insurance Public Co., Ltd.	Thailand	Some common directors
Hong Yiah Seng Real Estates and Investment Co., Ltd.	Thailand	Some common directors
Saraburi Ginning Mill Co., Ltd.	Thailand	Some common directors
Leophairatana Enterprise Co., Ltd.	Thailand	Some common directors
Rayong Forest Co., Ltd.	Thailand	Some common directors
TPI Holding Co., Ltd.	Thailand	Some common directors



<b>Significant transactions with related parties</b> <b>Year ended 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Parent company</b>				
Sale of goods and electricity power	1,806,724	2,046,236	1,806,724	2,046,236
Purchase of goods and services fee	2,741,743	2,556,264	2,741,743	2,556,264
Other income	4,450	3,821	4,450	3,821
Shared service expense - cost of sale	93,779	93,779	93,779	93,779
Shared service expense - administrative expense	38,221	38,221	38,221	38,221
Interest income	1,922	2,005	1,922	2,005
Dividend paid	1,593,000	1,888,000	1,593,000	1,888,000
Interest expense	15,518	17,967	15,518	17,967
<b>Subsidiaries</b>				
Interest expense	-	-	-	168
<b>Other related parties</b>				
Sale of goods	1,169	1,006	1,169	1,006
Purchase of goods	27,728	5,426	27,728	5,426
Acquisition of investment	-	2,959	-	2,959
Issued debenture	210,400	-	210,400	-
Other income	64	184	64	184
Dividend paid	370	439	370	439
Insurance premium	91,815	82,967	91,815	82,967
Administrative expenses	589	589	589	589
Interest income	1,955	-	1,955	-
Interest expense	16,175	7,008	16,175	7,008
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	52,337	45,217	52,337	45,217
Post-employment benefits	-	52	-	52
<b>Total key management personnel compensation</b>	<b>52,337</b>	<b>45,269</b>	<b>52,337</b>	<b>45,269</b>

Balances as at 31 December with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable</b>				
<b>Parent company</b>	994,489	900,199	994,489	900,199
<b>Other related parties</b>				
TPI Polene Bio Organics Co., Ltd.	3	1	3	1
TPI Concrete Co., Ltd.	55	31	55	31
TPI All Seasons Co., Ltd.	23	27	23	27
Thai Nitrate Co., Ltd.	1	2	1	2
Bangkok Union Insurance Public Co., Ltd.	13	5	13	5
BUI Life Insurance Public Co., Ltd.	7	3	7	3
<b>Total</b>	<b>994,591</b>	<b>900,268</b>	<b>994,591</b>	<b>900,268</b>
<i>Less allowance for expected credit loss</i>	-	-	-	-
<b>Net</b>	<b>994,591</b>	<b>900,268</b>	<b>994,591</b>	<b>900,268</b>

	<b>Interest rate</b>		<b>Separate financial statements</b>			
	31 December 2020 (% per annum)	31 December 2021	31 December 2020	Increase (in thousand Baht)	Decrease (in thousand Baht)	31 December 2021
<b>Short-term loans to related party</b>						
<b>Parent company</b>	-	1.65, 1.50	-	1,400,000	(1,400,000)	-
<b>Other related parties</b>						
TPI Refinery (1997) Co., Ltd	-	3.805	-	420,160	(420,160)	-
Thai Nitrate Co., Ltd.	-	1.65	-	318,800	(88,800)	230,000
			-	<b>2,138,960</b>	<b>(1,908,960)</b>	<b>230,000</b>
Accrued interest			-	3,870	(3,253)	624
<b>Total</b>			-	<b>2,142,830</b>	<b>(1,912,213)</b>	<b>230,624</b>
Less allowance for expected credit loss			-			-
<b>Net</b>			-			<b>230,624</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Receivables and advance to related parties</b>				
<b>Parent company</b>	4,230	3,508	4,230	3,508
<b>Other related parties</b>				
TPI Polene Bio Organics Co., Ltd.	31	2	31	2
BUI Life Insurance Public Co., Ltd.	723	749	723	749
Bangkok Union Insurance Public Co., Ltd.	49,029	35,634	49,029	35,634
Pornchai Enterprise Co., Ltd.	2,268	246	2,268	246
<b>Total</b>	<b>56,281</b>	<b>40,139</b>	<b>56,281</b>	<b>40,139</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>56,281</b>	<b>40,139</b>	<b>56,281</b>	<b>40,139</b>

***Expected credit losses for the year ended  
31 December***

Trade accounts receivable	-	-	-	-
Short-term loans to related party	-	-	-	-
Receivables and advance to related parties	-	-	-	-

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Trade accounts payable</i></b>				
<b>Parent company</b>	151,820	166,918	151,820	166,918
<b>Other related parties</b>				
TPI Polene Bio Organics Co., Ltd.	266	870	266	870
TPI Healthcare Co., Ltd.	745	1,174	745	1,174
TPI Bio Pharmaceuticals Co., Ltd.	33	64	33	64
<b>Total</b>	<b><u>152,864</u></b>	<b><u>169,026</u></b>	<b><u>152,864</u></b>	<b><u>169,026</u></b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Payables and advance from related parties</i></b>				
<b>Parent company</b>	45,844	64,000	45,810	63,970
<b>Other related parties</b>				
TPI Polene Bio Organics Co., Ltd.	36	151	36	151
TPI Concrete Co., Ltd.	415	1,357	415	1,357
Pornchai Enterprise Co., Ltd.	382	4	382	4
Bangkok Union Insurance Public Co., Ltd.	6	504	6	504
TPI Healthcare Co., Ltd.	921	211	921	211
<b>Total</b>	<b>47,604</b>	<b>66,227</b>	<b>47,570</b>	<b>66,197</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Current portion of lease liabilities</i></b>				
<b>Parent company</b>	4,319	3,639	4,319	3,639
<b>Other related parties</b>				
United Grain Industry Co., Ltd.	2,220	1,485	2,220	1,485
Pornchai Enterprise Co., Ltd.	2,766	378	2,766	378
Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,173	1,128	1,173	1,128
Saraburi Ginning Mill Co., Ltd.	1,173	1,128	1,173	1,128
Leophairatana Enterprise Co., Ltd.	3,518	3,384	3,518	3,384
<b>Total</b>	<b>15,169</b>	<b>11,142</b>	<b>15,169</b>	<b>11,142</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Lease liabilities</i></b>				
<b>Parent company</b>	449,776	464,238	449,776	464,238
<b>Other related parties</b>				
United Grain Industry Co., Ltd.	151,442	153,679	151,442	153,679
Pornchai Enterprise Co., Ltd.	4,511	162	4,511	162
Hong Yiah Seng Real Estates and Investment Co., Ltd.	3,139	4,312	3,139	4,312
Saraburi Ginning Mill Co., Ltd.	3,139	4,312	3,139	4,312
Leophairatana Enterprise Co., Ltd.	9,418	12,936	9,418	12,936
<b>Total</b>	<b><u>621,425</u></b>	<b><u>639,639</u></b>	<b><u>621,425</u></b>	<b><u>639,639</u></b>

***Significant agreements with related parties***

- (a) The Company entered into office building services agreement with related party for 3 years. The detail was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Non-cancellable operating lease commitments</i></b>				
Within one year	5,119	589	5,119	589
After one year but within five years	6,195	98	6,195	98
<b>Total</b>	<b><u>11,314</u></b>	<b><u>687</u></b>	<b><u>11,314</u></b>	<b><u>687</u></b>

- (b) Several land rental agreements specified that the Company has to decommission the assets from rental area at the end of contract, causing the Company to set up the decommissioning costs as at 31 December 2021 in amount of Baht 270 million (2020: Baht 265 million) (see note 17).

- (c) The Company entered into an electricity supply contract with parent company. The parent company will provide the waste heat to the Company that will be used in the manufacturing process for electricity. The Company shall supply the electricity solely to the parent company based on certain percentage as specified in the agreement. The agreement shall remain in full force and effect so long as, unless it is terminated by mutual agreement in writing of both parties.
- (d) On 1 April 2016, the Company entered into sale & purchase and service agreement with the parent company. The parent company will provide services related to infrastructure, human resources, purchase and sale of goods and resources and other services whereby the Company agree to pay fee as specified in agreement. The initial period of the contract is for 3 years which commenced on 1 April 2016 and shall continue for consecutive period of three years, unless earlier terminated by either party.

## 5 Cash and cash equivalents

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	550	476	550	476
Cash at banks - current accounts	29,399	4,652	25,692	1,289
Cash at banks - savings accounts	897,853	1,784,570	757,950	1,646,671
Cash at banks - savings accounts (Private Funds)	1,541	886	1,541	886
<b>Total</b>	<b><u>929,343</u></b>	<b><u>1,790,584</u></b>	<b><u>785,733</u></b>	<b><u>1,649,322</u></b>

## 6 Trade account receivables

<i>At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Trade account receivables - related parties</i></b>				
Within credit terms	57,099	217,881	57,099	217,881
Overdue:				
1 - 30 days	186,103	170,283	186,103	170,283
31 - 60 days	37,041	138,209	37,041	138,209
More than 60 days	714,348	373,895	714,348	373,895
<b>Total</b>	<b>994,591</b>	<b>900,268</b>	<b>994,591</b>	<b>900,268</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>994,591</b>	<b>900,268</b>	<b>994,591</b>	<b>900,268</b>
<b><i>Trade account receivables - other parties</i></b>				
Within credit terms	1,565,865	1,525,077	1,565,865	1,525,077
Overdue:				
1 - 30 days	546	341	546	341
<b>Total</b>	<b>1,566,411</b>	<b>1,525,418</b>	<b>1,566,411</b>	<b>1,525,418</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>1,566,411</b>	<b>1,525,418</b>	<b>1,566,411</b>	<b>1,525,418</b>
<b>Net total</b>	<b>2,561,002</b>	<b>2,425,686</b>	<b>2,561,002</b>	<b>2,425,686</b>



## 7 Inventories

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Finished goods	23,641	23,621	23,641	23,621
Work in process	585,823	474,580	585,823	474,580
Raw materials, package and chemical	176,045	100,666	176,045	100,666
Spare parts and supplies	814,358	668,363	814,358	668,363
Goods in transit	5,487	2,145	5,487	2,145
	<u>1,605,354</u>	<u>1,269,375</u>	<u>1,605,354</u>	<u>1,269,375</u>
Less allowance for declining in value	<u>(14,554)</u>	<u>(20,515)</u>	<u>(14,554)</u>	<u>(20,515)</u>
<b>Net</b>	<b><u>1,590,800</u></b>	<b><u>1,248,860</u></b>	<b><u>1,590,800</u></b>	<b><u>1,248,860</u></b>
Inventories recognised as an expense in 'cost of sales of goods':				
- Cost	6,192,690	6,031,642	6,192,690	6,031,642
- Reversal of write-down	<u>(5,961)</u>	<u>(3,985)</u>	<u>(5,961)</u>	<u>(3,985)</u>
<b>Net total</b>	<b><u>6,186,729</u></b>	<b><u>6,027,657</u></b>	<b><u>6,186,729</u></b>	<b><u>6,027,657</u></b>

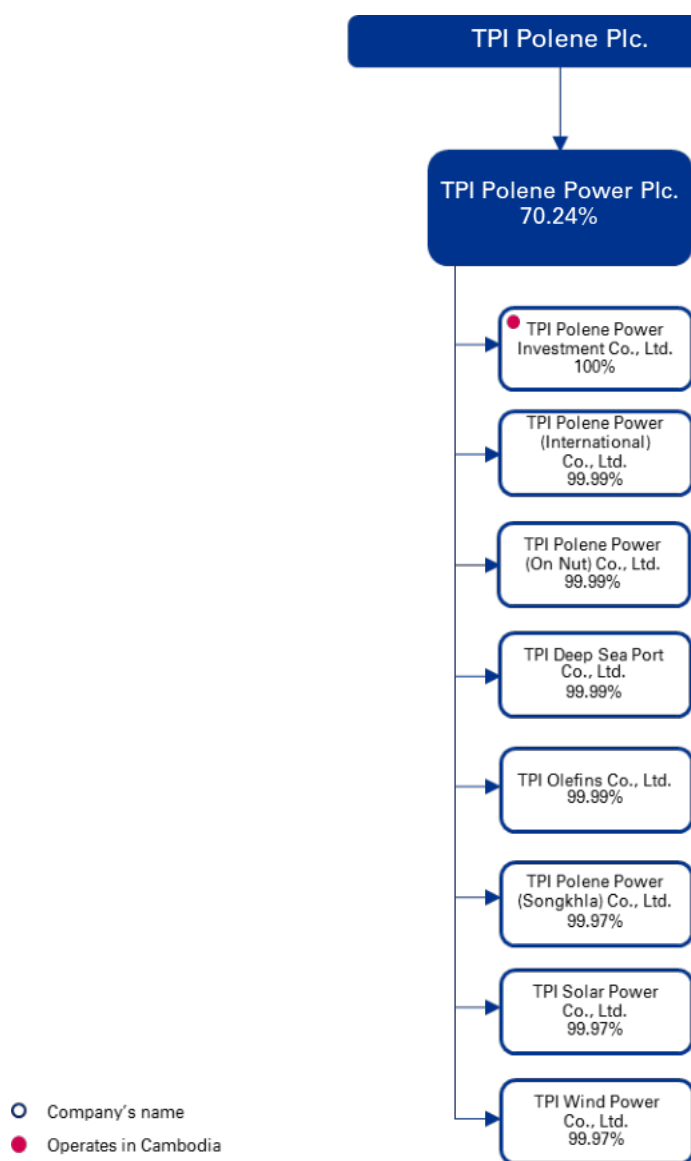
## 8 Marketable financial assets

<i>Marketable equity and debt securities</i>	<b>Consolidated and Separate financial statements</b>			
	At 1 January	Increase (decrease)	Fair value adjustment	At 31 December
<i>(in thousand Baht)</i>				
<b>2021</b>				
<b>Current financial assets</b>				
Debt securities measured at				
- FVTPL	1,296,382	1,223,661	11,095	2,531,138
<b>Total</b>	<b>1,296,382</b>	<b>1,223,661</b>	<b>11,095</b>	<b>2,531,138</b>
<b>2020</b>				
<b>Current financial assets</b>				
Debt securities measured at				
- FVTPL	1,521,596	(221,234)	(3,980)	1,296,382
<b>Total</b>	<b>1,521,596</b>	<b>(221,234)</b>	<b>(3,980)</b>	<b>1,296,382</b>

## 9 Investment in subsidiaries

	Separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
<b>Subsidiaries</b>		
<b>At 1 January</b>	<b>329,933</b>	<b>319,986</b>
Acquisition	-	2,959
Share of net profit of subsidiaries	1,534	7,006
Share of other comprehensive income of subsidiaries	353	(18)
<b>At 31 December</b>	<b>331,820</b>	<b>329,933</b>

Relationships with parent company and subsidiaries were as follows:



### ***TPI Polene Power Investment Company Limited***

As of 31 December 2021, the Company has registered the termination of the business, and the Company is waiting for a certificate from Cambodia's Revenue Department that the Company pays all taxes, the liquidation will be completed.

## 10 Property, plant and equipment

Consolidated financial statements										
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment	Vehicles	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
						(in thousand Baht)				
<i>Cost</i>										
At 1 January 2020	5,582,251	1,565,551	24,051,768	220,484	42,996	467	53,445	2,453,717	239,423	34,210,102
Additions	3,962,977	-	38,864	22,365	6,910	117	147,065	1,497,795	-	5,676,093
Transfers	-	19,089	199,477	-	3,193	-	-	(221,759)	-	-
At 31 December 2020 and 1 January 2021	9,545,228	1,584,640	24,290,109	242,849	53,099	584	200,510	3,729,753	239,423	39,886,195
Additions	1,486,369	-	20,445	16,539	4,029	61	-	1,556,117	-	3,083,560
Transfers	-	23,681	3,013,168	-	2,420	-	(144,852)	(2,894,417)	-	-
Disposal	-	-	-	(10)	(1,038)	-	-	-	(473)	(1,521)
At 31 December 2021	11,031,597	1,608,321	27,323,722	259,378	58,510	645	55,658	2,391,453	238,950	42,968,234

Consolidated financial statements										
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
<b>Depreciation</b>										
At 1 January 2020	-	93,686	3,194,242	109,978	22,826	65	-	-	18,861	3,439,658
Depreciation charge for the year	-	52,957	763,226	11,976	4,641	51	-	-	8,074	840,925
<b>At 31 December 2020 and 1 January 2021</b>	-	<b>146,643</b>	<b>3,957,468</b>	<b>121,954</b>	<b>27,467</b>	<b>116</b>	-	-	<b>26,935</b>	<b>4,280,583</b>
Depreciation charge for the year	-	53,565	799,527	13,881	4,721	60	-	-	8,034	879,788
Disposals	-	-	-	(10)	(926)	-	-	-	-	(936)
<b>At 31 December 2021</b>	-	<b>200,208</b>	<b>4,756,995</b>	<b>135,825</b>	<b>31,262</b>	<b>176</b>	-	-	<b>34,969</b>	<b>5,159,435</b>
<b>Net book value</b>										
At 1 January 2020	5,582,251	1,471,865	20,857,526	110,506	20,170	402	53,445	2,453,717	220,562	30,770,444
<b>At 31 December 2020 and 1 January 2021</b>	9,545,228	1,437,997	20,332,641	120,895	25,632	468	200,510	3,729,753	212,488	35,605,612
<b>At 31 December 2021</b>	11,031,597	1,408,113	22,566,727	123,553	27,248	469	55,658	2,391,453	203,981	37,808,799

	Separate financial statements									
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment	Vehicles  (in thousand Baht)	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
<i>Cost</i>										
At 1 January 2020	5,582,251	1,565,551	24,051,768	220,484	42,996	467	53,445	2,453,717	239,423	34,210,102
Additions	3,962,977	-	38,864	22,365	6,910	117	147,065	1,493,421	-	5,671,719
Transfers	-	19,089	199,477	-	3,193	-	-	(221,759)	-	-
At 31 December 2020 and 1 January 2021	9,545,228	1,584,640	24,290,109	242,849	53,099	584	200,510	3,725,379	239,423	39,881,821
Additions	1,486,369	-	20,445	16,539	4,029	61	-	1,556,117	-	3,083,560
Transfers	-	23,681	3,013,168	-	2,420	-	(144,852)	(2,894,417)	-	-
Disposals	-	-	-	(10)	(1,038)	-	-	-	(473)	(1,521)
At 31 December 2021	11,031,597	1,608,321	27,323,722	259,378	58,510	645	55,658	2,387,079	238,950	42,963,860

Separate financial statements										
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
<b>Depreciation</b>										
At 1 January 2020	-	93,686	3,194,242	109,978	22,826	65	-	-	18,861	3,439,658
Depreciation charge for the year	-	52,957	763,226	11,976	4,641	51	-	-	8,074	840,925
<b>At 31 December 2020 and 1 January 2021</b>	-	<b>146,643</b>	<b>3,957,468</b>	<b>121,954</b>	<b>27,467</b>	<b>116</b>	-	-	<b>26,935</b>	<b>4,280,583</b>
Depreciation charge for the year	-	53,565	799,527	13,881	4,721	60	-	-	8,034	879,788
Disposals	-	-	-	(10)	(926)	-	-	-	-	(936)
<b>At 31 December 2021</b>	-	<b>200,208</b>	<b>4,756,995</b>	<b>135,825</b>	<b>31,262</b>	<b>176</b>	-	-	<b>34,969</b>	<b>5,159,435</b>
<b>Net book value</b>										
At 1 January 2020	5,582,251	1,471,865	20,857,526	110,506	20,170	402	53,445	2,453,717	220,562	30,770,444
At 31 December 2020 and 1 January 2021	9,545,228	1,437,997	20,332,641	120,895	25,632	468	200,510	3,725,379	212,488	35,601,238
At 31 December 2021	11,031,597	1,408,113	22,566,727	123,553	27,248	469	55,658	2,387,079	203,981	37,804,425



The original cost of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2021 amounted to Baht 947 million (2020: Baht 934 million).

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new factory of the Group and the Company as at 31 December 2021 are amounted to Baht 334 million and Baht 334 million, respectively (2020: Baht 114 million and Baht 114 million, respectively), with a capitalisation in the consolidated and separate financial statements of 2% - 3.9% (2020: 2% - 3.9%).

## 11 Leases

<i>Right-of-use assets At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Land	600,170	641,073	600,170	641,073
Buildings	7,019	530	7,019	530
Vehicles	13,396	9,016	13,396	9,016
<b>Total</b>	<b>620,585</b>	<b>650,619</b>	<b>620,585</b>	<b>650,619</b>

In 2021, additions to the right-of-use assets of the Group and the Company were Baht 7.23 million and Baht 7.23 million, respectively (2020: Baht 43.19 million and Baht 43.19 million, respectively).

The Group leases a number of land, buildings and vehicles for 2-30 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

### *Extension options*

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

<b><i>For the year ended 31 December</i></b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Amounts recognised in profit or loss</i></b>				
Depreciation of right-of-use assets:				
- Land	30,463	31,477	30,463	31,477
- Buildings	1,928	377	1,928	377
- Vehicles	4,879	3,146	4,879	3,146
Interest on lease liabilities	25,508	25,205	25,508	25,205
Expenses relating to short-term leases	3,113	8,844	3,113	8,844

In 2021, total cash outflow for leases of the Group and the Company were Baht 42.35 million and Baht 42.35 million, respectively (2020: Baht 37.83 million and Baht 37.83 million, respectively).

## 2 Interest-bearing liabilities

	Consolidated and Separate financial statements					
	2021			2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
<b>Current</b>						
Short-term loans from financial institutions	-	-	-	-	239,625	239,625
Current debentures	-	4,000,000	4,000,000	-	4,000,000	4,000,000
Lease liabilities	-	20,241	20,241	-	14,849	14,849
<b>Non-Current</b>						
Debentures	-	11,523,600	11,523,600	-	8,000,000	8,000,000
Lease liabilities	-	630,204	630,204	-	645,181	645,181
<b>Total interest-bearing liabilities</b>	<b>-</b>	<b>16,174,045</b>	<b>16,174,045</b>	<b>-</b>	<b>12,899,655</b>	<b>12,899,655</b>

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Within 1 year	4,020,241	4,254,474	4,020,241	4,254,474
1 - 5 years	11,586,283	8,066,789	11,586,283	8,066,789
After 5 years	567,521	578,392	567,521	578,392
<b>Total</b>	<b>16,174,045</b>	<b>12,899,655</b>	<b>16,174,045</b>	<b>12,899,655</b>

As at 31 December 2021 and 2020, the Company has no unutilised credit facilities.

## Debentures

As at 31 December 2021, the Company had the unsecured, unsubordinated debentures in registered form with debentures holders' representative, payable quarterly totalling Baht 15,524 million (31 December 2020: Baht 12,000 million) as follows:

Issued Date	Consolidated and Separate financial statements						
	The period to maturity within one year			The period to maturity over one year			Term
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	
	(in thousand Baht)						
28 November 2018	-	4,000,000	-	-	-	4,000,000	3 years
9 August 2019	4,000,000	-	-	4,000,000	4,000,000	4,000,000	3 years 3 months
19 August 2020	-	-	4,000,000	4,000,000	4,000,000	4,000,000	3 years 11 months
10 June 2021	-	-	3,000,000	-	3,000,000	-	2 years 6 months
12 November 2021	-	-	4,523,600	-	4,523,600	-	4 years 3 months
<b>Total</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>11,523,600</b>	<b>8,000,000</b>	<b>15,523,600</b>	<b>12,000,000</b>	

### 13 Trade accounts payable

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Related parties	4	152,864	169,026	152,864	169,026
Other parties		277,532	263,490	277,532	263,490
<b>Total</b>		<b>430,396</b>	<b>432,516</b>	<b>430,396</b>	<b>432,516</b>

### 14 Other payables

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Retention payable		116,468	407,525	116,468	407,525
Other payables - Machine		34,722	167,502	34,722	167,502
Accrued expenses		104,939	76,875	104,794	76,732
Deposit from sales and guarantee		3,789	6,023	3,789	6,023
Others		46,964	133,291	46,900	133,227
<b>Total</b>		<b>306,882</b>	<b>791,216</b>	<b>306,673</b>	<b>791,009</b>

### 15 Other current liabilities

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Payable to Revenue Department		30,615	33,092	30,615	33,092
Suspend output tax		101,896	99,306	101,896	99,306
Others		10,739	6,659	10,720	6,659
<b>Total</b>		<b>143,250</b>	<b>139,057</b>	<b>143,231</b>	<b>139,057</b>

## 16 Non-current provisions for employee benefits

<i>At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Non-current provisions for:</b>				
Post-employment benefits	<u>151,657</u>	<u>152,705</u>	<u>151,657</u>	<u>152,705</u>

### *Defined benefit plan*

The Group operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	152,705	151,119	152,705	151,119
<b>Recognised in profit or loss</b>				
Current service cost and interest on obligation	-	2,978	-	2,978
<b>Recognised in other comprehensive income:</b>				
Actuarial loss	-	-	-	-
<b>Other</b>				
Benefit paid	<u>(1,048)</u>	<u>(1,392)</u>	<u>(1,048)</u>	<u>(1,392)</u>
<b>At 31 December</b>	<u><b>151,657</b></u>	<u><b>152,705</b></u>	<u><b>151,657</b></u>	<u><b>152,705</b></u>

<i>Principal actuarial assumptions</i>	<b>Consolidated financial statements</b>			<b>Separate financial statements</b>	
	2021	2020		2021	2020
			(%)		
Discount rate	2.88	2.00		2.88	2.00
Future salary growth	2.35	2.46		2.35	2.46

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2021, the weighted-average duration of the defined benefit obligation was 25 years (2020: 27 years).

### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated and separate financial statements			
<i>Effect to the defined benefit obligation</i>	1% increase in assumption		1% decrease in assumption	
<i>At 31 December</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(9,574)	(12,218)	11,176	14,367
Future salary growth	9,011	11,814	(7,794)	(10,191)

## 17 Decommissioning costs

	<b>Consolidated and Separate financial statements</b> <i>(in thousand Baht)</i>
At 1 January 2020	256,855
Provisions made	8,079
<b>At 31 December 2020 and 1 January 2021</b>	<b>264,934</b>
Provisions made	4,673
<b>At 31 December 2021</b>	<b>269,607</b>
<b>At 31 December 2020 and 1 January 2021</b>	
Non-current	<b>264,934</b>
<b>At 31 December 2021</b>	
Non-current	<b>269,607</b>

## 18 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## 19 Segment information and disaggregation of revenue

The Group comprises the following main business segments:

- Energy & Utilities
- Petrol and gas stations

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.



(a) Reportable segment results

For the year ended 31 December	Consolidated financial statement					
	Revenue from external customers		Inter-segment revenue		Total segment revenue	
	2021	2020	2021	2020	2021	2020
Energy & Utilities	10,557,354	10,586,783	-	-	10,557,354	10,586,783
Petrol and gas stations	516,478	532,567	-	-	516,478	532,567
<b>Total</b>	<b>11,073,832</b>	<b>11,119,350</b>	<b>-</b>	<b>-</b>	<b>11,073,832</b>	<b>11,119,350</b>
Finance costs					(207,786)	(285,182)
Depreciation					(917,059)	(875,925)
Others					(15,030)	95,596
<b>Profit before income tax expense for the year</b>					<b>4,301,464</b>	<b>4,628,006</b>

The Group was incorporated both domestic and international. There are no material revenues derived from, or assets located in, foreign countries, and timing of revenue recognition of the Group is at a point in time.

	<b>Consolidated financial statements</b>	
	<b>Reportable segment</b>	
	<b>profit (loss) before tax</b>	
	2021	2020
<i>For the year ended 31 December</i>	<i>(in thousand Baht)</i>	
Energy & Utilities	4,334,902	4,655,122
Petrol and gas stations	(33,435)	(27,125)
<b>Total</b>	<b>4,301,467</b>	<b>4,627,997</b>
Elimination of inter-segment (profit) loss	(3)	9
<b>Profit (loss) before income tax expense for the year</b>	<b>4,301,464</b>	<b>4,628,006</b>

**(b) Reportable segment financial position**

	<b>Segment assets</b>	
	2021	2020
	<i>(in thousand Baht)</i>	
	2021	2020
Energy & Utilities	42,956,956	40,146,047
Petrol and gas stations	74,742	72,703
	<b>43,031,698</b>	<b>40,218,750</b>
Unallocated assets	5,453,652	3,556,402
<b>Total assets</b>	<b>48,485,350</b>	<b>43,775,152</b>

**Geographical segments**

The Group was incorporated both domestic and international. There are no material revenues derived from, or assets located in, foreign countries.

**Major customer**

Revenues from 2 customers of the Group's represents approximately Baht 10,580 million (2020: Baht 10,611 million) of the Group's total revenues.

## 20 Other income

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Other income-claim insurance	30	99,587	30	99,587
Revenue from machine rental	183,155	141,363	183,155	141,363
Others	57,397	40,842	57,397	40,815
<b>Total</b>	<b>240,582</b>	<b>281,792</b>	<b>240,582</b>	<b>281,765</b>

## 21 Distribution costs

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Personnel expenses	29,059	28,205	29,059	28,205
Utilities expenses	7,857	8,355	7,857	8,355
Rental	1,425	1,455	1,425	1,455
Depreciation	9,210	9,643	9,210	9,643
Others	17,892	18,779	17,892	18,779
<b>Total</b>	<b>65,443</b>	<b>66,437</b>	<b>65,443</b>	<b>66,437</b>

## 22 Administrative expenses

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Personnel expenses	81,485	69,430	81,485	69,429
Shared service expenses	46,579	41,884	46,451	41,760
Professional fees	25,823	15,076	20,674	14,999
Registration fees	33,423	26,400	33,418	26,392
Depreciation	4,286	2,512	4,286	2,512
Insurance expenses	659	3,690	659	3,690
Donation	143,465	65,052	143,465	65,052
Others	246,088	208,685	246,081	208,643
<b>Total</b>	<b>581,808</b>	<b>432,729</b>	<b>576,519</b>	<b>432,477</b>

## 23 Employee benefit expenses

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Management</b>				
Wages and salaries	27,666	24,498	27,666	24,498
Defined benefit plans	-	52	-	52
Others	24,671	20,718	24,671	20,718
	<b>52,337</b>	<b>45,268</b>	<b>52,337</b>	<b>45,268</b>
<b>Employee</b>				
Wages and salaries	542,709	515,544	542,709	515,544
Defined benefit plans	-	2,926	-	2,926
Others	43,018	43,955	43,018	43,955
	<b>585,727</b>	<b>562,425</b>	<b>585,727</b>	<b>562,425</b>
<b>Total</b>	<b>638,064</b>	<b>607,693</b>	<b>638,064</b>	<b>607,693</b>

### *Defined contribution plans*

The defined contribution plans comprise provident funds established by the Company for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging 3% of their basic salaries and by the Company at rates ranging 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

## **24 Expenses by nature**

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Included in cost of sales of goods:</i></b>				
Changes in inventories of finished goods and work in progress	111,263	148,571	111,263	148,571
Raw materials and consumables used	3,964,705	3,838,801	3,964,705	3,838,801
Employee benefit expenses	527,520	510,059	527,520	510,059
Depreciation	903,562	863,770	903,562	863,770
<b><i>Included in distribution costs:</i></b>				
Employee benefit expenses	29,059	28,205	29,059	28,205
Depreciation	9,210	9,643	9,210	9,643
<b><i>Included in administrative expenses:</i></b>				
Employee benefit expenses	81,485	69,429	81,485	69,429
Depreciation	4,286	2,512	4,286	2,512

## 25 Finance costs

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
<b>Interest expense:</b>					
Short-term loans from financial institutions		375	11,670	375	11,838
Debentures		510,442	354,510	510,442	354,510
Lease		25,508	25,205	25,508	25,205
<b>Total interest expense</b>		<b>536,325</b>	<b>391,385</b>	<b>536,325</b>	<b>391,553</b>
Other		5,145	8,080	5,145	8,080
		<b>541,470</b>	<b>399,465</b>	<b>541,470</b>	<b>399,633</b>
<i>Less amounts included in the cost of qualifying assets:</i>					
- Construction contracts work in progress	10	(333,684)	(114,283)	(333,684)	(114,283)
<b>Net</b>		<b>207,786</b>	<b>285,182</b>	<b>207,786</b>	<b>285,350</b>

## 26 Income tax

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
<b>Income tax recognised in profit or loss</b>					
<b>Current tax expense</b>					
Current year		115,964	107,512	115,610	107,143
Adjustment for prior years		5,921	5,921	5,921	5,921
		<b>121,885</b>	<b>113,433</b>	<b>121,531</b>	<b>113,064</b>
<b>Deferred tax expense</b>					
Movements in temporary differences		(11,751)	8,748	(11,751)	8,748
<b>Total income tax expense</b>		<b>110,134</b>	<b>122,181</b>	<b>109,780</b>	<b>121,812</b>

**Reconciliation of effective tax rate**

		<b>Consolidated financial statements</b>	
		2021	2020
	Rate (%)	(in thousand Baht)	(in thousand Baht)
Profit before income tax expense		4,301,464	4,628,006
Income tax using the Thai corporation tax rate	20	860,293	925,601
Double allowance and deduction		(22,297)	(31,646)
Profit was derived from promoted activities		(744,126)	(812,608)
Expenses not deductible for tax purposes		10,343	34,913
Under provided in prior years		5,921	5,921
<b>Total</b>	<b>2.6</b>	<b>110,134</b>	<b>122,181</b>

**Reconciliation of effective tax rate**

		<b>Separate financial statements</b>	
		2021	2020
	Rate (%)	(in thousand Baht)	(in thousand Baht)
Profit before income tax expense		4,301,110	4,627,636
Income tax using the Thai corporation tax rate	20	860,222	925,527
Double allowance and deduction		(22,297)	(31,941)
Profit was derived from promoted activities		(744,126)	(812,608)
Expenses not deductible for tax purposes		10,060	34,913
Under provided in prior years		5,921	5,921
<b>Total</b>	<b>2.6</b>	<b>109,780</b>	<b>121,812</b>

**Deferred tax assets and liabilities  
At 31 December**

<b>Consolidated and Separate financial statements</b>			
<b>Assets</b>		<b>Liabilities</b>	
2021	2020	2021	2020
(in thousand Baht)			
Total	94,033	82,322	(20)
Set off of tax	(20)	(60)	20
<b>Net deferred tax assets</b>	<b>94,013</b>	<b>82,262</b>	<b>-</b>

Movements in deferred tax balances are as follows:

	Consolidated and Separate financial statements			
		(Charged) / Credited to		
	At 1 January 2021	Profit or loss	Other comprehensive income	At 31 December 2021
		(in thousand Baht)		
<i>Deferred tax assets</i>				
Property, plant and equipment	46,656	1,284	-	47,940
Inventories	4,103	(1,192)	-	2,911
Provisions for employee benefits	24,294	(209)	-	24,085
Provisions for decommissioning costs	5,387	7,738	-	13,125
Lease liabilities	1,882	4,090	-	5,972
<b>Total</b>	<b>82,322</b>	<b>11,711</b>	<b>-</b>	<b>94,033</b>
<i>Deferred tax liabilities</i>				
Revaluation on fair value of financial assets	(60)	40	-	(20)
<b>Total</b>	<b>(60)</b>	<b>40</b>	<b>-</b>	<b>(20)</b>
<b>Net</b>	<b>82,262</b>	<b>11,751</b>	<b>-</b>	<b>94,013</b>



<b>Consolidated and Separate financial statements</b>				
	<b>(Charged) / Credited to</b>			
	<b>At 1 January 2020</b>	<b>Profit or loss</b>	<b>Other comprehensive income</b>	<b>At 31 December 2020</b>
		<i>(in thousand Baht)</i>		
<b><i>Deferred tax assets</i></b>				
Property, plant and equipment	60,952	(14,296)	-	46,656
Inventories	4,900	(797)	-	4,103
Provisions for employee benefits	23,977	317	-	24,294
Provisions for decommissioning costs	2,559	2,828	-	5,387
Lease liabilities	-	1,882	-	1,882
<b>Total</b>	<b>92,388</b>	<b>(10,066)</b>	<b>-</b>	<b>82,322</b>
<b><i>Deferred tax liabilities</i></b>				
Revaluation on fair value of trading investment	(1,378)	1,318	-	(60)
<b>Total</b>	<b>(1,378)</b>	<b>1,318</b>	<b>-</b>	<b>(60)</b>
<b>Net</b>	<b>91,010</b>	<b>(8,748)</b>	<b>-</b>	<b>82,262</b>

## 27 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Company has been granted privileges by the Board of Investment relating to natural gas stations, power plants and fuel production from garbage and waste. The privileges granted include:

- (a) exemption from payment of import duty on machinery and equipment approved by the Board;
- (b) exemption from payment of corporate income tax for certain operations for a period of 8 years from the dates on which the income is first derived from such operations;
- (c) a 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of 5 years, commencing from the expiry date in (b) above;
- (d) a deduction of twice the actual transportation, electrical and water supply expenses for a period of 10 years from the respective revenues and a 25% reduction of the capital expenditure for the installation or the construction of the facilities in addition to the normal depreciation; and
- (e) losses occur during the period could be carried forward 5 years commencing from the expiry date of the privileges to deducted from the profit that occur after the period of exemption of corporate income tax.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

	Consolidated and Separate financial statements					
	2021			2020		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	<i>(in thousand Baht)</i>					
Domestic sales	9,439,078	1,634,754	11,073,832	9,581,155	1,538,195	11,119,350
<b>Total</b>	<b>9,439,078</b>	<b>1,634,754</b>	<b>11,073,832</b>	<b>9,581,155</b>	<b>1,538,195</b>	<b>11,119,350</b>

## 28 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2021 and 2020 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht / thousand shares)</i>			
<b>Profit attributable to ordinary shareholders of the Company (basic)</b>	<b><u>4,191,330</u></b>	<b><u>4,505,824</u></b>	<b><u>4,191,330</u></b>	<b><u>4,505,824</u></b>
<b>Weighted average number of ordinary shares outstanding (basic)</b>	<b><u>8,400,000</u></b>	<b><u>8,400,000</u></b>	<b><u>8,400,000</u></b>	<b><u>8,400,000</u></b>
<b>Earnings per share (basic) <i>(in Baht)</i></b>	<b><u>0.499</u></b>	<b><u>0.536</u></b>	<b><u>0.499</u></b>	<b><u>0.536</u></b>

## 29 Dividends

At the annual general meeting of the shareholders of the Company held on 30 July 2020, the shareholders acknowledged the interim dividend payment of 2019 annual dividend at Baht 0.40 per share, amounting to Baht 3,360 million. After a deduction of the interim dividends of Baht 0.20 per share which paid to the Company's shareholders in 2019, the remaining dividends of Baht 0.20 per share, totalling Baht 1,680 million. The dividend was paid to the shareholders on 15 May 2020 and no further dividend payment shall be made from the fiscal year 2019.

At the Board of Director's meeting of the Company held on 25 August 2020, the Board of Director's meeting passed a resolution to declare the interim dividend payment from retained earnings as of 30 June 2020, in amount of Baht 0.12 per share for the Baht 8,400 million common shares, amounting to Baht 1,008 million. The dividend was paid to the shareholders on 22 September 2020.

At the annual general meeting of the shareholders of the Company held on 21 April 2021, the shareholders approved the appropriation of 2020 annual dividend at Baht 0.27 per share for the 8,400 million common shares, amounting to Baht 2,268 million. After a deduction of the interim dividends of Baht 0.12 per share which were paid to the Company's shareholders in 2020, the remaining dividends of Baht 0.15 per share, totalling Baht 1,260 million. The dividend was paid to the shareholders on 7 May 2021.

At the Board of Director's meeting of the Company held on 27 August 2021, the Board of Director's meeting passed a resolution to declare the interim dividend payment from retained earnings as of 30 June 2021, in amount of Baht 0.12 per share for the Baht 8,400 million common shares, amounting to Baht 1,008 million. The dividend was paid to the shareholders on 22 September 2021.

## 30 Financial instruments

### (a) *Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount		Consolidated financial statements				Fair value	
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1 (in thousand Baht)	Level 2	Level 3	Total	
<b>At 31 December 2021</b>									
<b>Financial assets</b>									
<b>Other current financial assets</b>									
Investment in debt securities (Private funds)		43,292	-	43,292	-	43,292	-	43,292	
Investment in debt securities		2,487,846	2,000	2,489,846	2,002,505	470,913	-	2,473,418	
<b>Other non-current financial assets</b>									
Investment in debt securities		-	185,549	185,549	-	187,298	-	187,298	
<b>Total financial assets</b>	8	<b>2,531,138</b>	<b>187,549</b>	<b>2,718,687</b>					
<b>Financial liabilities</b>									
Debentures	12	-	15,523,600	15,523,600	-	15,602,098	-	15,602,098	
<b>Total financial liabilities</b>		<b>-</b>	<b>15,523,600</b>	<b>15,523,600</b>					

	Note	Carrying amount		Consolidated financial statements					
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Fair value					
				Total	Level 1 (in thousand Baht)	Level 2	Level 3	Total	
At 31 December 2020									
Financial assets									
Other current financial assets									
Investment in debt securities (Private funds)		43,774	-	43,774	-	43,774	-	43,774	43,774
Investment in debt securities		1,252,608	-	1,252,608	1,252,608	-	-	1,252,608	1,252,608
Promissary Note		-	199,856	199,856	-	199,953	-	199,953	199,953
Other non-current financial assets									
Investment in debt securities		-	188,049	188,049	-	188,753	-	188,753	188,753
Total financial assets	8	<u>1,296,382</u>	<u>387,905</u>	<u>1,684,287</u>					
Financial liabilities									
Promissary Note	12	-	239,625	239,625	-	239,685	-	239,685	239,685
Debentures	12	-	12,000,000	12,000,000	-	12,071,092	-	12,071,092	12,071,092
Total financial liabilities		<u>-</u>	<u>12,239,625</u>	<u>12,239,625</u>					

	Note	Carrying amount		Separate financial statements				Fair value	
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1 (in thousand Baht)	Level 2	Level 3	Total	
<b>At 31 December 2021</b>									
<b>Financial assets</b>									
<b>Other current financial assets</b>									
Investment in debt securities (Private funds)		43,292	-	43,292	-	43,292	-	43,292	
Investment in debt securities		2,487,846	-	2,487,846	2,002,505	468,884	-	2,471,389	
<b>Other non-current financial assets</b>									
Investment in debt securities		-	5,102	5,102	-	5,297	-	5,297	
<b>Total financial assets</b>	8	<b>2,531,138</b>	<b>5,102</b>	<b>2,536,240</b>					
<b>Financial liabilities</b>									
Debentures	12	-	15,523,600	15,523,600	-	15,602,098	-	15,602,098	
<b>Total financial liabilities</b>		<b>-</b>	<b>15,523,600</b>	<b>15,523,600</b>					

	Note	Carrying amount		Separate financial statements			
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3
<b>At 31 December</b>							
					<i>(in thousand Baht)</i>		
							Total
<b>2020</b>							
<b>Financial assets</b>							
Investment in debt securities (Private funds)		43,774	-	43,774	-	43,774	43,774
Investment in debt securities		1,252,608	-	1,252,608	1,252,608	-	1,252,608
Promissary Note		-	199,856	199,856	-	199,953	199,953
<b>Other non-current financial assets</b>							
Investment in debt securities		-	5,183	5,183	-	5,558	5,558
<b>Total financial assets</b>	8	<b>1,296,382</b>	<b>205,039</b>	<b>1,501,421</b>			
<b>Financial liabilities</b>							
Promissary Note	12	-	239,625	239,625	-	239,685	239,685
Debentures	12	-	12,000,000	12,000,000	-	12,071,092	12,071,092
<b>Total financial liabilities</b>		<b>-</b>	<b>12,239,625</b>	<b>12,239,625</b>			



The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Corporate debt securities	Thai Bond Market Association Government Bond Yield Curve as of the reporting date.
Corporate debt securities (Private funds)	<i>Market comparison/discounted cash flow:</i> The fair value is estimated considering (i) current or recent quoted prices for identical securities in markets that are not active and (ii) a net present value calculated using discount rates derived from quoted prices of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.
Debenture	A valuation technique incorporating observable market data which is adjusted with counterparty credit risk (excluding own credit risk) and other risks to reflect true economic value.

**(b) Financial risk management policies**

*Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

*(b.1) Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

*(b.1.1) Trade accounts receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 19(b).

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review includes financial statements, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 30 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables and contract assets are disclosed in note 6 and 19, respectively.

(b.1.2) Investment in debt securities

The Group considers that all debt investments measured at amortised cost have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or 'low credit risk'. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations.

(b.1.3) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk

*(b.2) Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date.

<b>Consolidated and Separate financial statements</b>					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
<b>2021</b>					
<i>Non-derivative financial liabilities</i>					
Trade payables	430,396	427,269	3,127	-	430,396
Lease liabilities	650,445	45,293	153,863	833,358	1,032,514
Debentures	15,523,600	4,000,000	11,523,600	-	15,523,600
<b>Total</b>	<b>16,604,441</b>	<b>4,472,562</b>	<b>11,680,590</b>	<b>833,358</b>	<b>16,986,510</b>
<b>2020</b>					
<i>Non-derivative financial liabilities</i>					
Trade payables	432,516	428,998	3,518	-	432,516
Loans from financial institutions	239,625	239,625	-	-	239,625
Lease liabilities	660,030	39,927	153,424	876,905	1,070,256
Debentures	12,000,000	4,000,000	8,000,000	-	12,000,000
<b>Total</b>	<b>13,332,171</b>	<b>4,708,550</b>	<b>8,156,942</b>	<b>876,905</b>	<b>13,742,397</b>

<b>Consolidated and Separate financial statements</b>					
	Effective interest rate (% <i>per</i> <i>annum</i> )	Within 1 year	After 1 year but within 5 years	After 5 years	Total
<i>(in thousand Baht)</i>					
<b>2021</b>					
<b>Current</b>					
Debentures	3.50	4,000,000	-	-	4,000,000
<b>Non-current</b>					
Debentures	3.90	-	4,000,000	-	4,000,000
Debentures	3.00	-	3,000,000	-	3,000,000
Debentures	3.55	-	4,523,600	-	4,523,600
<b>Total</b>		<b>4,000,000</b>	<b>11,523,600</b>	<b>-</b>	<b>15,523,600</b>
<b>2020</b>					
<b>Current</b>					
Short-term loans from financial institutions	1.70	239,625	-	-	239,625
Debentures	3.90	4,000,000	-	-	4,000,000
<b>Non-current</b>					
Debentures	3.50	-	4,000,000	-	4,000,000
Debentures	3.90	-	4,000,000	-	4,000,000
<b>Total</b>		<b>4,239,625</b>	<b>8,000,000</b>	<b>-</b>	<b>12,239,625</b>

*(b.3) Market risk*

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows.

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases of spare parts, supplies, machines and equipment.

<i>Exposure to foreign currency at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>United States Dollars</i></b>				
Cash and cash equivalents	3,600	3,234	90	81
Other payables	(41,400)	(473,491)	(41,400)	(473,491)
	<u>(37,800)</u>	<u>(470,257)</u>	<u>(41,310)</u>	<u>(473,410)</u>
<b><i>EURO</i></b>				
Cash and cash equivalents	7	7	7	7
Other payables	(8,630)	(8,419)	(8,630)	(8,419)
	<u>(8,623)</u>	<u>(8,412)</u>	<u>(8,623)</u>	<u>(8,412)</u>
<b><i>Others</i></b>				
Cash and cash equivalents	336	302	336	302
	<u>336</u>	<u>302</u>	<u>336</u>	<u>302</u>
<b>Gross balance sheet exposure</b>	<u>(46,087)</u>	<u>(478,367)</u>	<u>(49,597)</u>	<u>(481,520)</u>

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 12). The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates.

### 31 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

### 32 Commitments with non-related parties

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Capital commitments</i></b>				
<i>Contracted but not provided for:</i>				
Agreements for construction, machine and equipment	<u>3,190,500</u>	<u>458,104</u>	<u>3,149,096</u>	<u>416,701</u>
<b><i>Other commitments</i></b>				
Short-term lease commitments	500	500	500	500
Unused letters of credit	57,131	97,915	57,131	97,915
Bank guarantees	117,283	117,113	117,283	117,113
<b>Total</b>	<u><b>174,914</b></u>	<u><b>215,528</b></u>	<u><b>174,914</b></u>	<u><b>215,528</b></u>

#### ***Power Purchase Agreement***

The Company entered into Power Purchase Agreements, which uses garbage as fuel and waste heat from the cement production process as a fuel supplement, in term of "Non-firm" with Electricity Generating Authority of Thailand ("EGAT") for the period of 5 years since start trading month. The contracts can be extended for a period of 5 years subject to the provision of written notice to the counterparty not less than 30 days before the contracts expired. Regarding to the agreements, the Company obtained adder form base tariff of electricity for period of 7 years since start trading date. The Company has to comply with conditions as specified in the Power Purchase Agreements. At present, the Company has agreements with Electricity Generating Authority of Thailand as follows:

<b>Power Purchase Agreement</b>	<b>Contracted Capacity</b>	<b>Start trading date</b>
1 <sup>st</sup> agreement (7 November 2014 - 31 December 2019) 1 <sup>st</sup> agreement (extended) (1 January 2020 - 31 December 2024)	18 Megawatt	16 January 2015
2 <sup>nd</sup> agreement (13 November 2013 - 31 July 2020) 2 <sup>nd</sup> agreement (extended) (1 August 2020 - 31 July 2025)	55 Megawatt	6 August 2015
3 <sup>rd</sup> agreement (17 August 2017 - 31 March 2023)	90 Megawatt	5 April 2018

### 33 Litigation

On 16 December 2019, individuals in total of 222 people sued Energy Regulatory Commission (ERC) et al to the Central Administrative Court which the Company was listed as the 5th Defendant. The Plaintiffs requested that the approval of Environmental and Health Impact Assessment (EHIA) report for the project of 150 megawatts thermal power plant, the license to operate electricity generating business and the construction approval of the Company be revoked. The Plaintiffs also requested that the Court take evidence out of Court and issued an interim measure and ordering that the electricity generating system be temporarily stopped until the final decision is reached.

On 25 December 2019, the Court inquired both Parties in considering the request for interim measure and rendered its decision on 28 January 2020 denied the request for interim measure.

Subsequently, On 31 January 2020, the Court ordered to accept the complaint and request the Company to file the answers within the time limit. The lawyer submitted the answer to the Court on 1 July 2020. The case is under the Court consideration.

On 7 December 2020, the Court sent the objection to the answer of the 5<sup>th</sup> Defendant (the Company) and requested the Company to submit additional answer to the Court within the prescribed period. The Company submitted the additional answer to the Court on 12 March 2021, the case is under the Court consideration.

The Company's legal consultant considered the complaint and its appendixes and hereby opines that the Company lawfully received the license to operate the electricity generating business and the construction approval from the competent authorities. The complaint of the Plaintiffs is untrue. As the case is in the preparation for answer, the Company has causes to relieve itself of any liability generated from the complaint depending on the Central Administrative Court Decision. Moreover, the Company has pressed charges against the 222 Plaintiffs to the Muak Lek police station, Saraburi, for taking the false information to charge the person in the Court. The case is under the investigation of the police.



### 34 Subsequent Event

On February 17, 2022, the Company's Board of Directors' meeting no. 2/2022 passed a resolution to propose at the 2022 Annual General Shareholders' Meeting to approve the dividend payment from the Company's operating performance in 2021 at Baht 0.25 per share, totaling Baht 2,100 million or accounting 50.10% of the net profit for the year 2021. Previously, the Company made an interim dividend payment from the Company's operating performance up to June 30, 2021, totaling Baht 0.12 per share or totaling Baht 1,008 million, therefore; the remaining dividend to be paid to shareholders is Baht 0.13 per share, totaling Baht 1,092 million, payable from the Company's operating performance for the period of January 1, 2021 to December 31, 2021. The determination of list of shareholders for the right to receive dividend payment is scheduled on March 3, 2022 ("Record date") and the dividend payment is scheduled on May 12, 2022.

### 35 Other

- 1) The Company purchased plots of land in Chana district, Songkhla province, to develop the Security, Prosperity, Sustainability Triangle Model City 4 project, in Chana district, Songkhla Province, as the Future Industrial City, according to the Thai Government Policy to develop and administer the southern border provinces for peace and security of the country with the cabinet approval following the motion from Southern Border Provinces Administrative Center (SBPAC) requesting the government to include Chana district, Songkhla province, specifically to be a part of southern special economic zone under Southern Border Provinces Administration Act, B.E. 2553, and the Company to propose investment plan worth Baht 396,000 million to extend prosperity to the provinces by creating employment for the people and economic benefits to such area. On May 7, 2019, the cabinet approved the development of such projects and assigned the SBPAC and other relevant authorities to proceed with the project without delay.

On March 6, 2020, the SBPAC sent a letter to the Company informing the Company that the SBPAC has proposed such issues to the Southern Corridor Strategy Development Committee (the “SCSDC”) meeting no.1/2562 on October 31, 2019, in which the SCSDC approved the proposal, and thereafter on January 21, 2020 the cabinet has acknowledged and approved the SCSDC resolution. The SBPAC also coordinated with the relevant authorities involved with the private sector investment plan, i.e., the Department of Public Works and Town & Country Planning, Ministry of Interior, and Songkhla Provincial Administration Organization, to consider the change of the city plan color for the project benefits of usage, to comply with the urgent investment plan as proposed by the private sector and to have the Ministry of Energy to consider and support the production of electricity from new power plant to cope with the industrial development under the Country Power Development Plan (PDP), to be revised according to the cabinet approval allowing the private sector i.e. TPIPP, to invest and sell 3,700 MW of electricity to government enterprise (EGAT) in this Model Futuristic Advanced Industrial City, which has received approval to change the city plan color in Chana District Songkla with the proper approval from authority (Office of the energy regulatory commission) including the proposed condition for the private sector to conduct feasibility study on the Environmental Impact Assessment : EIA) and/or the Environmental and Health Impact Assessment : EHIA), as the case may be, so that the project developments could run in parallel from the year 2021 onwards.

The SBPAC has made “Strategic Environment Assessment (SEA)” according to Nation Economic Development Board (the “NEDB”) which is an analytical and particularly process to support the formulation of development policies, plans and programs. The goal of which is to balance and optimize economic social and environment considerations based on the principles of sustainable development. The SCSDC, whereby the Prime Minister is the Chairman, and the Deputy Prime Minister, Gen Pravit Wongsuwan, as the authorized person to act on behalf of the Prime Minister to implement the SEA plan, approved the project of TPIPP, and the Cabinet resolved to acknowledge the resolution deemed as the Cabinet’s approval of the project in accordance with the plan and policy of the Security, Prosperity, Sustainability Triangle Model City 4 project of the SBPAC. In addition, the SCSDC has resolved to expedite the Department of Public Works to change the City Plan color from green zone to purple zone, and that the Ministry of Energy, Energy Regulatory Commission (“ERC”), and state-owned enterprises to complete the PPA as soon as possible (within March 2021), and it is the Company's responsibility to complete the Environmental Impact Assessment (“EIA”) and Environmental and Health Impact Assessment (“EHIA”).

In case of mass coordination, public and civil society in 3 sub-districts of Chana District, Songkhla Province, the Company was requested to coordinate and work closely with the working group as established by the SBPAC, under the proposals of local residents to support working process of the private sector through public sector to reinforce unity of the task force to be beneficial for the economic development and the quality of local people genuinely to be in line with the objectives of the project in Chana District, Songkhla Province, as an exclusive perfect fully-integrated economic zone, which is an important mechanism to drive the development of the entire fully-integrated economy of the lower southern region, which can link to the southern border provinces and other regions of Thailand and neighboring countries, as well as to link

economic development to other countries around the world. This will make the southern border provinces to be safer and be a vital part to support the solution to the unrest in the southern border provinces and to accommodate the future economic and social development, similar to other regions of Thailand in the long run. The SBPAC also requested that the Company to carry on with all related issues to strictly comply with the relevant legal issues, cabinet resolution, rules and government agencies' processes.

On January 25, 2021, Songkhla Provincial Administration Organization announced the Company as the winner of the bidding for jointly private procurement in the construction and management of solid waste disposal system, Songkhla Provincial Administration Organization by Tender Method. The winner of the bidding will receive tipping fee from waste disposal of Baht 400 per ton (adjustable upward by 10% in every 3 year) and receive revenue from electricity sales derived from waste disposal under a power purchase agreement of 7.92 MW for the period of 20 years, at the rate of Baht 5.78 per unit for the first 8 years and Baht 5.08 per unit for the next consecutive 12 years respectively.

Subsequently, on September 29, 2021, the Company signed the contract for private investment in construction and waste management with Songkhla Provincial Administrative Organization.

- 2) The Company is a power company that produces electricity by turning community municipal solid waste to energy, which is clean and green energy. The Company has participated in the Thailand Voluntary Emission Reduction Program, according to Thai standards, which is a waste management project ("T-VER"), with the Thailand Greenhouse Gas Management Organization ("TGO").

At the end of year 2021, the Company registered with the TGO to apply for the reduction of greenhouse gases, which subsequently TGO has certified the reduction of greenhouse gases (carbon credit) for the Company's project of 82,056 tons of carbon dioxide equivalent, and after sale of 22,530 tons of carbon dioxide equivalent, the Company has the balance of 59,526 tons of carbon dioxide equivalent. The Company has been registering with the Administrative Organization to further certify the reduction of greenhouse gases (carbon credit) of 709,752 tons of carbon dioxide equivalent, for the period from 1 May 2017 to 31 December 2020.

In 2021, the Company used approximately 2.19 tons of all types of waste as fuel in the Company's power plants and Cement Plants of TPI Polene Public Company Limited, which can reduce greenhouse gas emissions or carbon reductions by approximately 5.08 million tons of carbon dioxide equivalent. The Company is currently applying to TGO for approval for the reduction of greenhouse gases (carbon credit) for these new projects.

## Attachment 1

Information of Directors, Executives, Chief Officers in Accounting and Finance, and Company Secretary

### Information of Directors, Executives and Company Secretary as of 31 December 2021

NAME/POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>1)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					PERIOD	POSITION	COMPANY/ BUSINESS
1. Mr. Prachai Leophairatana <b>Position -</b> Chairman of the Board; Chairman of the Management Committee	77	1. Honorary Doctorate in Industrial Engineering, Rajamangala University of Technology Krugthep  2. M.S. (EE) University of California (Berkeley) U.S.A.  3. B.E. (EE) (1 <sup>st</sup> Class Hons.) University of Canterbury, New Zealand  4. Directors Accreditation Program (DAP) (Class 35/2005), Thai Institute of Directors (IOD)	0.000	- Miss Malinee Leophairatana (Elder sister) - Dr. Pramuan Leophairatana (Younger brother) - Mr. Prayad Liewphairatana (Younger brother)	1991 - Present	- Chairman	- TPI Polene Power Plc.
					Jan 2016 - Present	- Chairman of the Management Committee	- TPI Polene Power Plc.
					2001 - Present	- Chief Executive Officer	- TPI Polene Plc.
					Apr 2012 - Present	- Directors	- Bangkok Union Insurance Plc.
					Oct 2019 – Present	- Executive Director	- TPI Deep Sea Port Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Polene Power (Songkhla) Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Wind Power Co., Ltd.
					Oct 2019 - Present	- Executive Director	- TPI Solar Power Co., Ltd.
					2000 - 2006	- Board Executive Director	- Bangkok Union Insurance Plc.
					1978 - 2006	- Chief Executive Officer	- Thai Petrochemical Industry Public Co., Ltd., and entities
					1992 - 2000	- Senator	- Parliamentary Commission
					1969 - 1997	- Chairman	- Cathay Finance & Securities Plc.

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>4b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
2. Dr. Pramuan Leophairatana <b>Position</b> – Vice Chairman of the Board; Vice Chairman of the Management Committee	72	1. M.S., SC.D. Massachusetts Institute of Technology at Cambridge, M.A., U.S.A.  2. B.S. (Honors) in Chemical Engineering, University of California at Berkeley, U.S.A.  3. Directors Accreditation Program (DAP) (Class 29/2005), Thai Institute of Directors (IOD)  4. Diplomas, National Defense College, The National Defense Course Class 41 and The Joint State-Private Sector Course Class 11	0.059	- Miss Malinee Leophairatana (Elder sister) - Mr. Prachai Leophairatana (Elder brother) - Mr. Prayad Liewphairatana (Younger brother)	Jan 2016 – Present	- Vice Chairman and Vice Chairman of the Management Committee	- TPI Polene Power Plc.
					1991 – Jan 2016	- Director	- TPI Polene Power Plc.
					1973 - Present	- Executive Director	- Leophairatana Enterprises Co., Ltd.
					1988 - Present	- Director	- Thai Plastic Product Co., Ltd.
					1989 - Present	- Director	- Thai Plastic Film Co., Ltd.
					1989 - Present	- Director	- United Grain Industry Co., Ltd.
					1991 - Present	- Executive Director	- TPI Concrete Co., Ltd.
					1997 - Present	- Chairman	- Bangkok Union Life Insurance Plc.
					2001 - Present	- Director / President	- TPI Polene Plc.
					2002 - Present	- Executive Director	- Polene Plastic Co., Ltd.
					2010 - Present	- Executive Director	- TPI Polene Bio Organics Co., Ltd.
					Jul 2014 - Present	- Executive Director	- Mondo Thai Co., Ltd.
					Aug 2016 – Present	- Executive Director	- Thai Nitrate Co., Ltd.
					Aug 2019 – Present	- Executive Director	- TPI Deep Sea Port Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Polene Power (Songkhla) Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Wind Power Co., Ltd.
					Oct 2019 - Present	- Executive Director	- TPI Solar Power Co., Ltd.
					Oct 2019 – Jan 2015	- Executive Director	- Thai Nitrate Co., Ltd.
					1996 – Jul 2014	- Executive Director	- Mondo Thai Co., Ltd.
					1990 – Aug 2012	- Executive Director	- Thai Nitrate Co., Ltd.
					1978 – 2006	- President	- Thai Petrochemical Industry Plc.

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>(b)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
3. Mr. Prayad Liewphairatana <b>Position -</b> Director; Member of the Management Committee	70	1. M.S. (CE) University of Michigan (ANN ARBOR) U.S.A.  2. Directors Accreditation Program (DAP) (Class 35/2005), Thai Institute of Directors (IOD)	0.064	- Miss Malinee Leophairatana (Elder sister) - Mr. Prachai Leophairatana (Elder brother) - Dr. Pramuan Leophairatana (Elder brother)	1991 - Present Jan 2016 - Present	- Executive Director - Member of the Management Committee	- TPI Polene Power Plc. - TPI Polene Power Plc.
					1973 - Present	- Executive Director	- Leophairatana Enterprises Co., Ltd.
					1987 - Present 1981-2006	- Director /President - Director	- TPI Polene Plc. - International Plastic Trading Co., Ltd.
					1988 - Present	- President	- Thai Plastic Product Co., Ltd.
					1988 - Present	- President	- United Grain Industry Co., Ltd.
					1989 - Present	- President	- Thai Plastic film Co., Ltd.
					1991 - Present 1996 -Present 1997 - Present	- Executive Director - Executive Director - Executive Director	- TPI Concrete Co., Ltd. - Mondo Thai Co., Ltd - Bangkok Union Life Insurance Plc.
					2002 - Present 2010 - Present	- Executive Director - Executive Director	- Polene Plastic Co., Ltd. - TPI Polene Bio Organics Co., Ltd.
					2 Aug 2016 - Present	- Executive Director	- Thai Nitrate Co., Ltd.

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>4b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
4. Mrs. Orapin Leophairatana <b>Position</b> – Vice Chairman of the Board; Vice Chairman of the Management Committee	74	1. Political Science (2nd Class Honors) Chulalongkorn University  2. Directors Accreditation Program (DAP) (Class 35/2005), Thai Institute of Directors (IOD)	0.072	- Mr. Prachai Leophairatana (Husband)	Jan 2016 - Present	- Vice Chairman and Vice Chairman of the Management Committee	- TPI Polene Power Plc.
					2007-Jan 2016	- Director	- TPI Polene Power Plc.
					1998- Present	- Executive Director	- TPI Concrete Co., Ltd.
					2002- Present	- Executive Director	- Polene Plastic Co., Ltd.
					2005 - Present	- Director / Senior Executive Vice President	- TPI Polene Plc.
					2009 - Present	- Executive Director	- TPI All Seasons Co., Ltd.
					2010 - Present	- Executive Director	- United Grain Industry Co., Ltd.
					2010 - Present	- Executive Director	- Thai Petrochemical Industry Co., Ltd.
					2010 - Present	- Executive Director	- TPI Polene Bio Organics Co., Ltd.
					Jul 2014 - Present	- Executive Director	- Mondo Thai Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Deep Sea Port Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Polene Power (Songkhla) Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Wind Power Co., Ltd.
					Oct 2019 - Present	- Executive Director	- PIT Solar Power Co., Ltd.
					Oct 2012 – Jan 2015	- Executive Director	- Thai Nitrate Co., Ltd.
					2009 – Aug 2012	- Executive Director	- Thai Nitrate Co., Ltd.
					2001 - 2011	- Director	- Thai Listed Company Association
					1998 - 2003	- Senior Executive Vice President	- TPI Polene Public Co., Ltd.
					Apr – Dec 1997	- Director	- Association of Finance Companies

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>1b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
					1995 - 1997	- Director	- Bangkok Stock Trading Center
					1995 - 1997	- Chairman	- Association of the Securities Brokerage
					1986 - 1997	- Managing Director	- Cathay Finance & Securities Plc.
					1977 - 1982	- Third Secretary	- Ministry of Foreign Affairs



NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>(b)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
5. Miss Pattrapan Leopairut <b>Position –</b> Director, Member of the Management Committee	42	1. Assumption University (ABAC) (master's degree) 2. Bangkok University International College (BUIC) (bachelor's degree) 3. International School Bangkok (ISB) (High School) 4. Movement of Thai industrial investor toward India and Myanmar 5. Employee Fraud Prevention Detection 6. Excellence in Practice Quality Control 7. Investigation & Litigation, Business Process Transformation & Operation 8. Relationship Marketing & Customer 9. Relationship Management 10. Directors Accreditation Program (DAP) (Class 121/2016), Thai Institute of Directors (IOD)	0.046	- Mr. Pakorn Leopairut (Younger brother) - Mr. Pakkapol Leopairut (Younger brother)	2007 - Present  Jan 2016 - Present  2009 - Present  2010 - Present  2014 - Present  Oct 2014 – Present  2006 - Present  Oct 2019 – Present  Oct 2019 – Present  Oct 2019 – Present  Oct 2019 - Present	- Director  - Member of the Management Committee - Assistant Vice President - Executive Director  - Executive Director  - Executive Director  - Executive Director  - Executive Director  - Executive Director  - Executive Director  - Executive Director  - Executive Director	- TPI Polene Power Plc.  - TPI Polene Power Plc.  - TPI Polene Plc.  - TPI Polene Bio Organics Co., Ltd. - Zenith International Power Co., Ltd. - TPI Commercial Co., Ltd. - Thai Petrochemical Industry Co., Ltd. - TPI Deep Sea Port Co., Ltd. - TPI Polene Power (Songkhla) Co., Ltd. - TPI Wind Power Co., Ltd. - TPI Solar Power Co., Ltd.

NAME/POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>(1)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
6. Mr. Pakorn Leopairut  Position – Director; Member of the Management Committee and President	41	1. Master of Public and Private Management NIDA 2. CEDI-BABSON ENTREPRENEURIAL LEADERSHIP PROGRAM No. 1/2556 3. Young F.T.I Elite No. 1 The Federation of Thai Industries 4. Executive Development Program No.10 Ministry of Finance FPO: Forum Economic Guru Seminar No. 3, Ministry of Finance 5. Energy Executive Program No. 1 The Federation of Thai Industries 6. Directors Accreditation Program (DAP) (Class 122/2016), Thai Institute of Directors (IOD) 7. Tisco Wealth Enhancement Program (WEP 4) No 4. 2016 8. The Young Executive Program in Energy Literacy for a Sustainable Future, YTEA) No.7/2019	0.063	- Miss Pattapan Leopairut (Elder sister) - Mr. Pakkapol Leopairut (Younger brother)	2007 - Present Jan 2016 - Present  Feb 2016 - Present May 2019 - Present 2008 - Present 2009 - Present 2010 - Present  2010 - Present 2010 - Present  2014 - Present Jul 2015 - Present 2011 - Present  2007 - Present Oct 2019 - Present  Oct 2019 - Present  Oct 2019 - Present Oct 2019 - Present  2007 - 2008  2002 - 2007	- Executive Director - Member of the Management Committee - President - Executive Director - Assistant Vice President - Executive Director - Executive Director  - Executive Director - Executive Director - Executive Director  - Executive Director - Executive Director - Executive Director  - President - Executive Director  - Executive Director  - Executive Director - Executive Director  - Investment Analyst  - Supervisor	- TPI Polene Power Plc. - TPI Polene Power Plc.  - TPI Polene Power Plc. - TPI Polene Plc. - TPI Polene Plc. - TPI All Seasons Co., Ltd. - TPI Polene Bio Organics Co., Ltd. - TPI service Co., Ltd. - TPI Polene Power (International) Co., Ltd. - TPI Commercial Co., Ltd. - TPI Healthcare Co., Ltd. - Thai Petrochemical Industry Co., Ltd. - Thai Nitrate Co., Ltd. - TPI Deep Sea Port Co., Ltd. - TPI Polene Power (Songkhla) Co., Ltd. - TPI Wind Power Co., Ltd. - TPI Solar Power Co., Ltd. - MFC Asset Management Plc. - Thai Petrochemical Industry Co., Ltd.

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>4b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
7. Mr. Pakkapol Leopairut  <b>Position –</b> Director; Member of the Management Committee and Executive Vice President - Accounting and Finance		Southern California (master's degree) 2. Economic University of Kansas (bachelor's degree) 3. CEDI-BABSON ENTREPRENEURIAL LEADERSHIP PROGRAM No. 1/2012 4. CMO by Marketing Association of Thailand No. 1/2012 5. Executive Development Program No. 10 (July 2014) 6. Directors Accreditation Program (DAP) (Class 122/2016), Thai Institute of Directors (IOD) 7. Advance Master of Management Program, AMM 8. Power Purchase Agreement for Small Power Producer – Replacement		<ul style="list-style-type: none"> <li>- Mr. Pakorn Leopairut (Elder brother)</li> <li>- Miss Pattrapan Leopairut (Elder sister)</li> </ul>	Jan 2016 - Present	- Member of the Management Committee	- TPI Polene Power Plc.
					Jul 2015 - Present	- Executive Director	- TPI Polene Power Plc.
					2008 – Jan 2016	- Assistant Vice President	- TPI Polene Plc.
					2010 - Present	- Executive Director	- TPI service Co., Ltd.
					2010 - Present	- Executive Director	- TPI Polene Power (International) Co., Ltd.
					2011 - Present	- Executive Director	- TPI Polene Bio Organics Co., Ltd.
					2014 - Present	- Executive Director	- TPI Commercial Co., Ltd.
					Jul 2015 - Present	- Executive Director	- TPI Healthcare Co., Ltd
					Oct 2019 – Present	- Executive Director	- TPI Deep Sea Port Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Polene Power (Songkhla) Co., Ltd.
					Oct 2019 – Present	- Executive Director	- TPI Wind Power Co., Ltd.
					Oct 2019 - Present	- Executive Director	- TPI Solar Power Co., Ltd.

NAME/POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING (1)	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
8. Ms. Nitawan Leophairatana <b>Position</b> – Director; Member of the Management Committee	41	1. Juris Doctor Seattle University - School of Law, Graduated 2006 2. LL.M in Taxation New York University - School of Law, Graduated 2007 3. Licensed Attorney in New York State 4. M.P.A. Cornell University, Graduated 2003 5. B.A. Cornell University Major in Chemistry and Chemical Biology Graduated 2002 6. Directors Accreditation Program (DAP) (Class 121/2016) Thai Institute of Directors (IOD)	0.003	- Dr. Pramuan Leophairatana (Father) - Dr. Porakrit Leophairatana (Younger brother)	Jan 2016 - Present  Jul 2015 - Present 2012 - Feb 2016 Mar 2016 - Present 2009 - Present 2010 - Present  2010 - Present  2010 - Present 2014 - Present  Jul 2015 - Present Oct 2019 - Present Oct 2019 - Present  Oct 2019 - Present  Oct 2019 - Present 2008 - 2012  2007 - 2008   Aug 2020 - Present	- Member of the Management Committee - Executive Director - Assistant Vice President - Assistant Vice President - Executive Director - Executive Director  - Executive Director  - Executive Director - Executive Director  - Executive Director - Executive Director - Executive Director  - Executive Director - Executive Director - Executive Director  - Executive Director - Executive Director - Assistant Vice President  - Senior Associate  - Executive Director  - Executive Director  - Executive Director - Board of Trustees	- TPI Polene Power Plc. - TPI Polene Power Plc. - TPI Polene Power Plc. - TPI Polene Plc. - TPI All Seasons Co., Ltd.  - TPI Polene Bio Organics Co., Ltd. - TPI service Co., Ltd. - TPI Polene Power (International) Co., Ltd. - TPI Commercial Co., Ltd. - TPI Healthcare Co., Ltd. - TPI Deep Sea Port Co., Ltd. - TPI Polene Power (Songkhla) Co., Ltd. - TPI Wind Power Co., Ltd. - TPI Solar Power Co., Ltd. - TPI Polene Public Co., Ltd. - Ernst and Young LLP, New York City, USA. - United Grain Industry Co., Ltd. - Thai Plastic Product Co., Ltd. - Thai Plastic film Co., Ltd. - International School Bangkok

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>1b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
9. Ms. Malinee Leopairut <b>Position –</b> Director	79	1. Master in Actuarial Science, Georgia State University, U.S.A. 2. Bachelor of Commerce and Accounting, Major in Statistics (Second Honors), Chulalongkorn University 3. Certified as Actuary under Section 78/2 of The Non-Life Insurance Act B.E.2535 as Amended by Non-Life Insurance Act (No.2), B.E.2551 4. Certified as Actuary under Section 83/2 of The Life Insurance Act B.E.2535 as Amended by Life Insurance Act (No.2), B.E.2551 5. Directors Certification Program (DCP) (Class 22/2002), Thai Institute of Directors (IOD)	0.001	- Mr. Prachai Leophairatana (Younger brother) - Dr. Pramuan Leophairatana (Younger brother) - Mr. Prayad Liewphairatana (Younger brother)	Jan 2016 - Present 1973 – Present 2015 - Present 1997-Present 1997 – Present 1973-2011 1987-1989	- Director - Director - Director - Director - Chief Executive Officer - Managing Director - President	- TPI Polene Power Plc. - Leophairatana Enterprises Co., Ltd. - Thai Special Steel Industry Plc. - Bangkok life Insurance Plc. - Bangkok Union Insurance Plc. - Bangkok Union Insurance Plc. - Thai General Insurance Association

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>1b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
10.Dr. Porakrit Leophairatana <b>Position –</b> Director	31	1. Ph.D. Chemical Engineering, Columbia University, Graduated 2017 2. M.Phil. Chemical Engineering, Columbia University, Graduated 2016 3. M.S. Chemical Engineering, Columbia University, Graduated 2015 4. B.S. Chemical and Biological Engineering, Tufts University, Graduated 2012 5. Directors Certification Program (DCP) (Class 168/2020), Thai Institute of Directors (IOD)	0.006	- Dr. Pramuan Leophairatana (Father) - Ms. Nitawan Leophairatana (Elder sister)	Jan 2020 - Present	- Executive Vice President	- TPI Polene Power Public Co., Ltd.
					Mar 2018 – Present	- Assistant Vice President	- TPI Polene Plc.
					May 2018 – Present	- Director	- TPI Polene Power (On Nut) Co., Ltd.
					Aug 2019 - Present	- Director	- TPI Polene Power (International) Co., Ltd.
					Sep 2019 – Present	Executive Director	- TPI Polene Power (Songkhla) Co., Ltd.
					Sep 2019 – Present	Executive Director	- TPI Deep Sea Port Co., Ltd.
					Sep 2019 – Present	- Executive Director	- TPI Wind Power Co., Ltd.
					Sep 2019 – Present	- Executive Director	- TPI Solar Power Co., Ltd.
					Aug 2019 – Present	- Director	- TPI Refinery (1997) Co., Ltd.
					May 2018 – Present	- Director	- TPI All Seasons Co., Ltd.
					May 2018 – Present	- Director	- TPI Healthcare Co., Ltd.
					May 2018 – Present	- Director	- TPI Bio Pharmaceuticals Co., Ltd.
					Apr 2019 - Present	- Director	- Bangkok life Insurance Plc.
					Mar 2017 – May 2018	- CTO	- TempRes
					Oct 2017 – Mar 2019	- Co-Founder - Post-Doctoral Researcher	- Technologies LLC - Columbia University, New York

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>4)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
11. Mr. Manu Leopairote <b>Position</b> – Independent Director; Chairman of the Audit Committee	78	1. Honorary Doctorate in Business Administration, Thammasat University. 2. Master of Science in Economics, University of Kentucky, U.S.A. 3. Bachelor of Science in Economics (Honors), Thammasat University 4. Certificate, Industrial Development, “Nagoya, Japan” 5. National Defense College class 34 6. Role of Chairman Program (RCP) No.3/2001 Thai Institute of Directors (IOD) 7. Directors Certification Program (DCP) No.30/2003 Thai Institute of Directors (IOD) 8. Directors Accreditation Program (DAP- No 2003) Thai Institute of Directors (IOD)	-	-	Jan 2016 - Present	- Independent Director and Chairman of the Audit Committee	- TPI Polene Power Public Co., Ltd.
					2004 – Present	- Chairman and Chairman of the Audit Committee	- Polyplex (Thailand) Plc.
					2004- Present	- Chairman	- Khon Kaen Sugar Industry Plc.
					2004 – Present	- Chairman	- Bangkok Union Insurance Plc.
					2006 – Present	- Director and Member of the Audit Committee	- Siam Steel International Plc.
					2010 – Present	- Chairman	- Jubilee Enterprise Plc.
					2010 – Present	- Chairman	- ARIP Plc.
					2011 – Present	- Chairman	- T.M.C Industry Plc.
					2005 – 2010	- Chairman	- Neighboring Countries Economic Development Cooperation Agency (Public Organization): NEDA
					1999 - 2004	Permanent Secretary Historical	Ministry of Industry
						- Chairman - Chairman - Chairman - Chairman - Chairman	- PTT Plc. - PTT Exploration and Production Plc. - PTT Chemical Plc. - Thai Oil Plc.

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>1b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
12. Mr. Abhijai Chandrasen <b>Position</b> – Independent Director; Member of the Audit Committee	73	1. Ph.D. in Law (Honors), Paris University (Sorbonne) France. 2. Bachelor of Law (Second Honours), Chulalongkorn University 3. Thai Barrister at Law, Institute of Legal Education of the Thai Bar 4. Thai Institute of Directors (IOD) - Audit Committee Program (ACP) No.24/2008 - Role of the Compensation Committee (RCC) No. 2/2007 - Developing Corporate Governance Policy, 2006 - Finance for Non-Finance Director (FN – No.11/2004) - Directors Accreditation Program (DAP- No.5/2003) - TFRS 9 Financial Instruments: Overview and key challenges 2017	-	-	Jan 2016-Present	- Independent Director and Member of the Audit Committee - Director and Legal Advisor - Honorary Advisor.	- TPI Polene Power Public Co., Ltd.
					2000-2021		- Kasikornbank Public Co., Ltd. - Kasikornbank Public Co., Ltd.
					2021 - Present		- Siam Motors Co., Ltd.
					2005-Present	- Director	- The Property Management Committee, Chulalongkorn University
					1991 - Present	- Expert Committee	- The Thai Red Cross Fund - The Thai Red Cross Society - The Chaipattana Foundation - Suanluang RAMA IX Foundation - Kasikornbank Public Co., Ltd.
					2001-Present 1995-Present	- Executive Director - Director	
					2019-Present	- Director	
					1998-Present	- Director	
					2000-2013	Advisor to the Management Committee	
					1994-2012	- Director  - Chairman of Audit committee - Managing Director	- Sammakorn Public Co., Ltd. - Lawyers' Council of Thailand (1997 - 2000) - Narai Phand Co., Ltd (a joint venture with the public sector by



NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>1b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
		<ul style="list-style-type: none"> <li>- Enhancing Audit Committee, Excellence through Internal Audit, (2017)</li> <li>- The Business in the abnormalities era (EY) (2017)</li> <li>- Cyber Resilience Leadership (2017)</li> </ul>					the Ministry of Industry) (Jan 1987 – Jun 2000)
						- Legal Advisor	- Office of the Royal Development Projects Board
						- Legal Advisor	- Aeronautical Radio of Thailand Ltd. state enterprise in Thailand under the Ministry of Transport
						- Legal Advisor	- The Bangkok Dock Company (1957) Limited) state enterprise in Thailand under the Ministry of Defense.
						- Legal Advisor	- Prince Mahidol Award Foundation
						- Legal Advisor	- The Kidney Foundation of Thailand
						- Legal Advisor	- H.R.H. Princess Maha Chakri Sirindhorn Charity Fund
						- Legal Advisor	- Fund for Classical Music Promotion under the Patronage of HRH Princess Galyani Vadhana

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>4b</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
13. Mr. Thiraphong Vikitset <b>Position –</b> Independent Director; Member of the Audit Committee	75	1. Ph.D. (Economics) West Virginia University, U.S.A. 2. B.S. Ch.E. West Virginia University, U.S.A. Training Certificate 1. Certificate of Professional Study on “Petroleum Management Program” awarded by Arthur D. Little Management Education Institute, Inc. 1982 2. Thai Institute of Directors (IOD) - Director Accreditation Program Certificate, (DAP- 2003) - Director Certificate Program, (DCP- 2004)	0.000	- None -	Jan 2016 - Present	- Independent Director and Member of the Audit Committee	- TPI Polene Power Public Co., Ltd.
					Present	- Professor of Economic Development	- National Institute of Development Administration (NIDA)
					1997-Present	- Independent Director and Chairman of the Audit committee	- I.C.C. International Public Co., Ltd.
					1997-Present	- Director	- Better Way (Thailand) Co., Ltd.
					2004-2014	- Member of the Subcommittee on Energy Conservation Assessment Subcommittee	- Subcommittee on Government Policy Follow-up About using Energy Oil in the Senate Manufacturing Industry
					1995-1998	- Director of Academic Council	- National Institute of Development Administration (NIDA)
					1986-1991	- Vice President for Academic Affairs	- National Institute of Development Administration (NIDA)
					1985-1986	- Dean of the Faculty of Economic Development	- National Institute of Development Administration (NIDA)
					1983-1985	- Deputy Dean, Faculty of Economic Development	- National Institute of Development Administration (NIDA)
					1981 1976	- Associate Professor	- National Institute of Development Administration (NIDA)

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>(b)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
						<ul style="list-style-type: none"> <li>- Assistant Professor, Faculty of Economic Development</li> </ul>	<ul style="list-style-type: none"> <li>- National Institute of Development Administration (NIDA)</li> <li>- National Institute of Development Administration (NIDA)</li> </ul>
					1974-1976	<ul style="list-style-type: none"> <li>- Professor of Economics</li> </ul>	<ul style="list-style-type: none"> <li>- National Institute of Development Administration (NIDA)</li> </ul>
					2008	<ul style="list-style-type: none"> <li>- Subcommittee for tracking oil consumption on Government Policy</li> </ul>	
					2004	<ul style="list-style-type: none"> <li>- Project Evaluation Subcommittee under Energy Conservation Plan</li> </ul>	
					2002	<ul style="list-style-type: none"> <li>- The committee considered the use of ethanol.</li> </ul>	
					1989	<ul style="list-style-type: none"> <li>- Member of Subcommittee on Energy Planning for the 7th Economic and Social Development Plan</li> </ul>	
					1989	<ul style="list-style-type: none"> <li>- Committee members in the working group tariff changes over time.</li> </ul>	
					1989	<ul style="list-style-type: none"> <li>- Committee on Electricity Development Working Group</li> </ul>	

NAME/ POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING <sup>(b)</sup>	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
					1989	- Committee members in the working group, the purchase of electricity from small power producers.	
					1989	- Committee members in the working group tariff restructuring.	
					1989	- Committee members working in private sector participation in the electricity sector.	
					1989	- The Committee members on the working group of Electricity in industry	
					1989	- The standard committee member of university education	
					1989	- Committee members working in the tariff adjustment	
					1988	- Committee members working on electricity demand	
					1986	- Subcommittee on Energy Policy Formulation	

NAME/ POSITION	AGE (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING (d)	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
14. Mr. Khantachai Vichakkhana <b>Position –</b> Independent Director	73	1. Master's in Political Science (Public Administration), Thammasat University 2. Bachelor of Laws, Thammasat University. 3. Guest Speaker Training Program- Land Class 2: Department of Land (1979) 4. Division Director of Security within the Kingdom Program (ISOC): Royal Thai Army (1979) 5. Advance Land Management School Program Class 3: Department of Lands (1984) 6. Advance administration Program: Class 30, Institute of Administration Development, Department of Provincial Administration (1993) 7. High Level Information Technology Executives (CIO) Seminar (2003)	0.000	-	Jan 2016 – Present	- Independent Director	- TPI Polene Power Public Co., Ltd.
					June 2018 - Present	- Chairman and Independent Director	- TPI Polene Public Co., Ltd.
					Aug 2014 - Present	- Independent Director and the Nomination, Remuneration and Corporate Governance Committee	- L.P.N. Development Public Co., Ltd.
						- Independent Director	- Tong Hua Holding Public Co., Ltd.
					2002 - 2008	- Deputy Director General	- Department of Lands
					1999-2000	- Inspector-General	- Department of Lands
					1998-1999	- Director of Bureau Authority Land	- Department of Lands
					1995-1998	- Land Management Division	- Department of Lands
					1992-1995	- Department of Important book	- Department of Lands
					1990-1992	- Land Officer- Chonburi	- Department of Lands
					1989-1990	- Land Officer- Phuket	- Department of Lands
					1988-1989	- Land Officer- Nonthaburi and Bangyai District	- Department of Lands
					1986-1988	- Land Officer- Nakhornmayok	- Department of Lands
					1986	- Land Officer Uttaradit	- Department of Lands

NAME/POSITION	AEG (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING (1)	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
		<p>8. Political Development in Democratic Governance for Executives Program Class 8 King Prajadhipok's Institute (2004)</p> <p>9. Thai Institute of Directors (IOD)</p> <ul style="list-style-type: none"> <li>- Directors Accreditation Program (DAP- No.112/2014)</li> <li>- Role of Compensation Committee (RCC- No.19/2014)</li> <li>- Directors Certification Program (DCP- No.119/2015)</li> </ul>			Extracurricular	<p>Assets Management Committee</p> <p>Committee</p> <p>Committee</p> <p>Committee</p> <p>Committee</p> <p>Committee</p> <p>Committee</p> <p>Assets Management Committee</p>	<p>Thai Red Cross Council</p> <p>Triamudomsuksa Alumni Foundation</p> <p>Retired Government Officials' Pension Association of Interior Foundation</p> <p>Executive Public</p> <p>Administration Foundation (EPAF)</p> <p>Hospital&amp; Phrapiya school Foundation</p> <p>Srisavarindhira Thai Red Cross Institute of Nursing</p> <p>The Chaipattana Foundation</p> <p>Environment for Better Life Foundation</p>

NAME/POSITION	AGE (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING (I)	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/ BUSINESS
15. Mr. Wanchai Manosooti <b>Position</b> – Independent Director	71	1. Master's in Business Administration from Chulalongkorn University. 2. Bachelor of Accounting, Chulalongkorn University. 3. Directors Certification Program (DCP) No. 18/2002 Thai Institute of Directors (IOD)	0.012	-	Mar 2016 – Present 2019 – Present 1999 -2001 2002 -2007	- Independent Director - Director - Executive V.P. - Managing Director	- TPI Polene Power Public Co., Ltd. - Sirindhorn National Medical Rehabilitation Institute - TISCO Bank Public Co., Ltd. - TISCO Securities Co., Ltd.
16. Mr. Worawit Lerdussarakam <b>Position</b> – Senior Vice President Production	56	1. Business Administration from Kasetsart University 2. Bachelor of Engineering (Electrical engineering), Prince of Songkla University	0.009	-	Apr 2016 - Present Feb 2016 - Apr 2016 Jan 1990 - Feb 2016	- Senior Vice President Production - Vice President Production - Vice President Production	- TPI Polene Power Public Co., Ltd. - TPI Polene Power Public Co., Ltd. - TPI Polene Power Public Co., Ltd.
17. Mrs. Sirirat Lerthirunrat <b>Position</b> – Assistant Vice President Petrol and Gas	61	Bachelor of Management, Sukhothai Thammathirat University	-	-	July 2012 - Present	- Assistant Vice President Petrol and Gas	- TPI Polene Power Public Co., Ltd.
18. Mr. Somkiat Teeratakulpisal <b>Position</b> – Assistant Vice President Production	54	1. Master of GSPA from National Institute of Development Administration (NIDA) 2. Bachelor of Engineering, Prince of Songkla University	-	-	Jun 2014 - Present	- Assistant Vice President Production	- TPI Polene Power Public Co., Ltd.

NAME/POSITION	AGE (year)	EDUCATIONAL BACKGROUND/ TRAINING	% SHARE HOLDING (%)	FAMILY RELATION AMONG DIRECTORS & EXECUTIVES	WORK EXPERIENCE		
					DURATION	POSITION	COMPANY/BUSINESS
19. Miss Karuna Permsiripan <b>Position</b> – Manager Accounting	58	Bachelor of Commerce and Accountancy, Chulalongkorn University	-	-	Mar 2016 - Present	- Manager Accounting	- TPI Polene Power Public Co., Ltd.
20. Miss Weerawan Larpchaiwut <b>Position</b> – Manager Finance	57	1. Bachelor of Finance and Banking, Ramkhamhaeng University 2. Master of Business Administration, Ramkhamhaeng University	-	-	Apr 2016 - Present Dec 2006 - Mar 2016	- Manager Finance - Assistant Manager Finance	- TPI Polene Power Public Co., Ltd. - TPI Polene Power Public Co., Ltd.
21. Miss Weeranut KimKom <b>Position</b> – Secretary	48	1. Bachelor of Law, Thammasat University 2. Lawyer License from Training Department of the Lawyer council. 3. Company Secretary Program (CSP) No. 76/2017	-	-	Sep 2016 - Present Nov 2012 -Present	- Secretary - Supervisor	- TPI Polene Power Public Co., Ltd. - TPI Polene Power Public Co., Ltd.

Remark: (1) Percentage of shareholding date was as of 31 December 2021.



Position of the Management and Controlling Persons over the Company and Related Companies as of 31 December 2021

	Mr. Prachai Leophairatana	Mr. Pramuan Leophairatana	Mrs. Orapin Leophairatana	Mr. Prayad Leophairatana	Miss Pattirapan Leophairat	Mr. Pakorn Leophairat	Mr. Pakapol Leophairat	Mr. Pakorn Leophairat	Mr. Pakapol Leophairat	Mrs. Niawan Leophairatana	Miss Malinee Leophairatana	Mr. Manu Leophairatote	Dr. Porakrit Leophairatana	Dr. Thiraphong Vikitset	Dr. Abhijai Chandrasen	Mr. Khamtacha Vichakkhana	Mr. Vanchai Manosuthi	Mr. Worawit Lerdbussarakarn	Ms. Sirirat Lerthirunrat	Mr. Somkiet Teraatrakulpisa	Miss Karuna Permstiripan	Miss Weerawan Larpechawat
Thai Plastic Product Co., Ltd.	X//	//	//	//	//	//	//	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-
Thai Plastic Film Co., Ltd.	X//	//	//	//	//	//	//	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-
Polyplex (Thailand) Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-
Khon Kaen Sugar Industry Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-
Thai Beverage Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
(Singapore Exchange (SGX))	-	-	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
Johilee Enterprise Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-
ARIP Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-
T.M.C. Industrial Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-
I.C.C. International Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-
Better Way (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-
Kasikornbank Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-
Siam Motors Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
L.P.N. Development Public Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-
International Trading Development Co., Ltd.	X//	//	//	//	//	//	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-
Phorphan Phamich Co., Ltd.	X//	//	//	//	//	//	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-
Thai Agrico Co., Ltd.	X//	//	//	//	//	//	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-
Hong Yiah Seng Warehouse Co., Ltd.	X//	//	-	//	//	//	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-
TPI All Season Co., Ltd.	X//	//	//	//	-	//	-	//	-	//	-	-	-	-	-	-	-	-	-	-	-	-
TPI Polene Public Company Limited	//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jaturat Co., Ltd.	//	//	-	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI Holdings Co., Ltd.	X//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mondo Thai Co., Ltd.	X//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rayong Forest Co., Ltd.	X//	//	-	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI BIO Pharmaceuticals Co., Ltd.	X//	//	-	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI Olefins Co., Ltd.	X//	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Mr. Prachai Leophairatana	Mr. Pramuan Leophairatana	Mrs. Orapin Leophairatana	Mr. Prayad Liewphairatana	Miss Paitirapan Leopairut	Mr. Pakorn Leopairut	Mr. Pakapol Leopairut	Mrs. Nitawan Leophairatana	Miss Malinee Leophairatana	Mr. Manu Leopairut	Dr. Porakrit Leophairatana	Dr. Thiraphong Vikitsat	Dr. Abhijai Chandrasen	Mr. Khanthachai Vichakkhana	Mr. Vanchai Manosuthi	Mr. Worawit Lerdussarakarn	Ms. Sitrat Lerdhitrarat	Mr. Somkiet Teeratrakulpisa	Miss Karuna Permsiripan	Miss Weerawut Larphaiwut
Master Achieve (Thailand) Co., Ltd.	X//	-	-	-	-	//	//	//	-	-	-	-	-	-	-	-	-	-	-	-
Rangsit Patumporn Co., Ltd.	-	//	-	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K. Cotton & Gloss Co., Ltd.	//	-	-	//	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lian Thai Apparel Co., Ltd.	-	-	-	/	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-	-
Kang Yong Electric Public Company Limited	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
Sukhumvit62 medical Co., Ltd.	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
GML Exhibition (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
GML Enterprise (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
DR Development Co., Ltd.	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-	-
THAI DNT PAINT MFG Co., Ltd.	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
Tamaka Sugar Industry Co., Ltd.	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
New Kwang Soon Lee Sugar Factory Co., Ltd.	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
Blue Ocean Spa Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
Beer Thai (1991) Public Company Limited	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
UBM Asia (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
Rangsit Phatumporn Housing Project Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Krung Thai Sugar Factory Co., Ltd.	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
Siam Steel International Public Company Limited	-	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-
Saha Rattanakom Co., Ltd. (absolute receivership)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ASIA Wealth Securities Company Limited	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
Anuman Spare Parts Co., Ltd.	-	-	-	-	-	-	-	-	//	-	-	-	-	-	-	-	-	-	-	-
Asia Pacific Potash Corporation Limited	-	-	-	-	-	-	-	-	-	/	-	-	-	-	-	-	-	-	-	-
Asia Precision Public Company Limited	-	-	-	-	-	-	-	-	-	X	-	-	-	-	-	-	-	-	-	-

	Mr. Prachai Leophaitatana	Mr. Pramuan Leophaitatana	Mrs. Orapin Leophaitatana	Mr. Prayad Leophaitatana	Miss Patrapan Leopairut	Mr. Pakorn Leopairut	Mr. Pakapol Leopairut	Mrs. Nitawan Leophaitatana	Miss Malinee Leophaitatana	Mr. Manu Leopairut	Dr. Porakrit Leophaitatana	Dr. Thiraphong Vikitset	Dr. Abhijai Chandrasen	Mr. Khantachai Vichakkhana	Mr. Vanchai Manosuthi	Mr. Worawit Lerdbusarakarn	Ms. Sittirat Lerthirunrat	Mr. Somkiat Teeratrakulpisa	Miss Karuna Permsiripan	Miss Weerawan Larpchawat
SVOA Public Company Limited	-	-	-	-	-	-	-	-	-	///	-	-	-	-	-	-	-	-	-	-
Hi-Tech Nitsu (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
United Grain Marketing Co., Ltd.	X	///	///	///	-	-	-	-	///	-	-	-	-	-	-	-	-	-	-	-
TPI Polene Power On Nut Co., Ltd.	/	/	/	-	-	/	/	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI Deep Sea Port Co., Ltd.	/	/	/	/	/	/	/	/	-	-	/	-	-	-	-	-	-	-	-	-
TPI Polene Power (Songkhla) Co., Ltd.	/	/	/	-	/	/	/	/	-	-	/	-	-	-	-	-	-	-	-	-
TPI Wind Power Co., Ltd.	/	/	/	-	/	/	/	/	-	-	/	-	-	-	-	-	-	-	-	-
TPI Solar Power Co., Ltd.	/	/	/	-	/	/	/	/	-	-	/	-	-	-	-	-	-	-	-	-

remarks: X = Chairman / = Director // = Executive Director /// = Audit Committee V = management V = management committee

## Attachment 2

### Directors of Subsidiarie

Board of Directors of TPI Polene Power (On Nut) Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Dr. Pramuan Leophairatana	Director
3. Mrs. Orapin Leophairatana	Director
4. Mr. Pakorn Leopairut	Director
5. Mr. Pakkapol Leopairut	Director
6. Dr. Porakrit Leophairatana	Director

TPI Polene Power (International) Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Mr. Prateep Leopairut	Director
3. Dr. Pramuan Leophairatana	Director
4. Mr. Prayad Liewphairatana	Director
5. Mrs. Orapin Leophairatana	Director
6. Miss Pattapan Leopairut	Director
7. Mr. Pakorn Leopairut	Director
8. Mr. Pakkapol Leopairut	Director
9. Mrs. Achira Chatdarong	Director
10. Mrs. Nitawan Leophairatana	Director

TPI Deep Sea Port Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Dr. Pramuan Leophairatana	Director
3. Mrs. Orapin Leophairatana	Director
4. Mr. Pakorn Leopairut	Director
5. Mr. Pakkapol Leopairut	Director
6. Miss Pattrapan Leopairut	Director
7. Mrs. Achira Chatdarong	Director
8. Mrs. Nitawan Leophairatana	Director
9. Mrs. Pannee Liewphairatana	Director
10. Mr. Thanakorn Liewphiratana	Director
11. Dr. Porakrit Leophairatana	Director

TPI Olefins Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Mr. Prateep Leopairut	Director
3. Dr. Pramuan Leophairatana	Director
4. Mr. Prayad Liewphairatana	Director
5. Mrs. Orapin Leophairatana	Director
6. Miss Pattrapan Leopairut	Director
7. Mr. Pakorn Leopairut	Director
8. Mr. Pakkapol Leopairut	Director
9. Mr. Thanakorn Liewphiratana	Director
10. Mrs. Chutinan Liewphiratana	Director

TPI Polene Power (Songkhla) Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Dr. Pramuan Leophairatana	Director
3. Mrs. Orapin Leophairatana	Director
4. Mr. Pakorn Leopairut	Director
5. Mr. Pakkapol Leopairut	Director
6. Miss Pattrapan Leopairut	Director
7. Mrs. Achira Chatdarong	Director
8. Mrs. Nitawan Leophairatana	Director
9. Mrs. Pannee Liewphairatana	Director
10. Mr. Thanakorn Liewphiratana	Director
11. Dr. Porakrit Leophairatana	Director

TPI Wind Power Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Dr. Pramuan Leophairatana	Director
3. Mrs. Orapin Leophairatana	Director
4. Mr. Pakorn Leopairut	Director
5. Mr. Pakkapol Leopairut	Director
6. Miss Pattrapan Leopairut	Director
7. Mrs. Achira Chatdarong	Director
8. Mrs. Nitawan Leophairatana	Director
9. Mrs. Pannee Liewphairatana	Director
10. Mr. Thanakorn Liewphiratana	Director
11. Dr. Porakrit Leophairatana	Director

TPI Solar Power Company Limited as of December 31, 2021

Name	Position
1. Mr. Prachai Leophairatana	Director
2. Dr. Pramuan Leophairatana	Director
3. Mrs. Orapin Leophairatana	Director
4. Mr. Pakorn Leopairut	Director
5. Mr. Pakkapol Leopairut	Director
6. Miss Pattrapan Leopairut	Director
7. Mrs. Achira Chatdarong	Director
8. Mrs. Nitawan Leophairatana	Director
9. Mrs. Pannee Liewphairatana	Director
10. Mr. Thanakorn Liewphiratana	Director
11. Dr. Porakrit Leophairatana	Director

## Attachment 3

### Information of Head of Internal Audit

Information of Head of Internal Audit as of 31 December 2021

Name/Position	Education qualification/certificate	Work Experience	
		Times	Position/Company
Mr. Nitiphong Sucharatphong Internal Audit Department Manager	<ul style="list-style-type: none"> <li>• Bachelor of Accountancy, Ramkhamhaeng University</li> <li>• Diploma Internal auditing to prepare you to become an internationally licensed internal auditor.</li> <li>• Chulalongkorn Business School with The Institute of Internal Auditors</li> <li>• Certificate of Executive Development Program Thammasat Business School</li> <li>• Tax Auditor , The Revenue Department Ministry of Finance</li> </ul>	2016 - Present	Internal Audit Department Manager TPI Polene Power Public Company Limited
		2007 - 2016	Internal Audit Department Manager / TPI Concrete Company Limited
		1997 - 2006	Internal Audit / Thaipetrochemical Industry Public Company Limited



## Course Training for Internal Audit Manager

No.	Course	Date	Location
1.	Update Taxation 2021 and TFRS for NPAs	26-27/3/2021	ACCOUNT TRAINING AND CONSULTING (THAILAND) CO.,LTD
2.	Land and Building Tax Property Investment and New Laws	21-22/03/2020	Kritsombroon Seminar and Training Company Limited
3.	Internal Control and Internal Control Assessment	29-30/05/2019	Protenion Company Limited
4.	Going Concern and Financial instruments and New Laws	22-23/03/2019	Kritsombroon Seminar and Training Company Limited
5.	TRANSFORMING IA FOR THE DIGITAL AGE	6/08/2018	The Institute of Internal Auditors of thailand
6.	Performing an audit in accordance with the auditing standards, including the presentation of the financial statements and New Law	20-21/01/2018	Kritsombroon Seminar and Training Company Limited
7.	Bright Spots : Lighting the way to a corruption free society	21/11/2017	IOD Cooperate CAC
8.	Audit evidence from the audit of the financial statements and new law	18-19/3/2017	Kritsombroon Seminar and Training Company Limited
9.	ENTERPRISES RISK MANAGEMENT IN PRACTICE	11/10/2016	The Risk and Internal Control Club. Thai Listed Companies Association
10.	Determination of fraud in the audit of financial statements and new laws	19-20/3/2016	Kritsombroon Seminar and Training Company Limited
11.	Risk Assessment in Internal audit	10/10/2015	Training Development section TPIPL
12.	EMPLOYEE FRAUD PREVENTION, DETECTION, INVESTIGATION&LITIGATION	12-13/3/2015	Institute of OMEGA WORLDCLASS
13.	Thai Standards on Auditing Quality control Financial audit and Law	14-15/10/2014	Kritsombroon Seminar and Training Company Limited
14.	Going from good to great in it fraud prevention and information society	13/10/2014	The Institute of Internal Auditors of thailand
15.	It Fraud Prevention And information society	13/10/2014	The Stock Exchange of Thailand and The Institute of Internal Auditors of thailand

## **Attachment 4**

### **Business Assets and Details on Asset Valuation**

Assets used in the business operations and details of the appraisal of the assets as of December 31, 2021

Details of the assets used in the business operations and list of the asset appraisal are detailed in the Annual Report 2021 (Form 56-1 One Report), Topic 1, Structure and Operation of the Group of Company, Sub-topic 4: Assets Used in Business Operation.

## **Attachment 5**

### **Corporate Governance Policy and Code of Conduct**

Corporate Governance Policy and Code of Conduct Disclosed information on the Company's website

<http://www.tpipolenepower.co.th/index.php/en/en-aboutus/code-of-conduct>

<http://www.tpipolenepower.co.th/index.php/th/th-aboutus/code-of-conduct-th>

## **Attachment 6**

### **Report of the Audit Committee**

## Report of the Audit Committee

To: Shareholders:

Dear Sirs,

The Audit Committee of TPI Polene Power Public Company Limited consists of three independent directors, who are all qualified with knowledge of finance, accounting, law, and management administration: namely, Mr. Manu Leopaiprote as the Chairman of the Audit Committee; Dr. Thiraphong Vikitset and Dr. Abhijai Chandrasen as Audit Committee members, with Miss Weeranuch Khimkhum, the Corporate Secretary, as Secretary to the Audit Committee. All Audit Committee members possess appropriate qualifications and are, in all aspects, in compliance with the rules and regulations imposed by the Stock Exchange of Thailand.

The Audit Committee has fully performed its duties and responsibilities to review and evaluate internal control systems, disclosure of Company information, and to review implementation of the provisions of related governing laws, as well as any other important tasks such as ESG principles to be in line with the Sustainability Report, etc. In 2021, the Audit Committee convened five meetings as follows:

### 1. To review and evaluate internal control systems.

The Company has appropriate internal control systems and has operated the business efficiently and effectively under appropriate and sufficient internal controls, as supported by the operational performance report. The Company has internal controls and risk management systems that can protect against potential risks to the Company and to all related parties. The systems are in place to ensure that any mistakes and irregularities will be identified in due course; and that financial reports are accurate, adequate, and reliable; and the assets used by the Company benefit all parties as well as shareholders. In addition, TPI Polene group adheres to Environmental, Social and Governance (ESG) criteria, by embracing the Bio Circular Green Economy as a sustainable business model under the standards of good corporate governance as follows:

**Environmental Issues:** regarding the use of energy, waste water, pollution, waste, environmental practices, with development into low-carbon societies targeting Net Zero GHG Emission, using waste fuel instead of coal, improve production efficiency to save energy, with an adherence to circular economy, to recycle waste from one plant as raw materials or fuel of another, aiming to achieve zero waste, develop green manufacturing technology and innovations, construct rainwater reservoirs to replace natural water sources, including recycle wastewater for reuse, and get rid of COVID-19 contamination waste.

**Social Issues:** regarding occupational health and safety, training and education, non-child labor, security practices, human rights assessment, community health and safety, data security, social and economic practices to be in compliance with labor laws and labor relations, respect for human rights principles and personal information of employees, suppliers, contractors and create a good environment in the workplace with proper Occupational Health and Safety (OHS), training and developing skills for personnel and providing opportunities to progress without discrimination, provide scholarships to children of employees, conduct customer relationship activities and conduct business with trade partners in accordance with the agreements in the Partner Code of Conduct.

**Governance Issues:** regarding economic performance, anti- corruption policy, using technology and innovation to develop products and services, R&D to top up business in compliance with relevant regulations and transparency against corruption, using technology and innovation advancement to drive the organization while focusing on effective management with research and development results to create value added to the products, seek high return on investments and mitigate all-round risk including risk associated from climate change.

In carrying out duties and responsibilities, the Company has embraced Four Raddhippada: Basic For Success 4, and a commitment to creating balanced happiness with a sustainable quality of life under the principles of Brahma-vihara, or Four Sublime States of Mind and Four Noble Truths, the Heart of Buddhism (Ariyatham to the Cessation or Extinction of Suffering), which have been taught by the Buddha, and has embraced the Code of Conduct as a policy for all employees to follow, by emphasizing the balanced consideration of all related parties, fair treatment to all parties concerned, including shareholders, suppliers, and contractors. The Company also fosters the development of all staff to expand their knowledge so the Company can become a knowledge organization. This will further enhance our long-term development and create sustainable growth for the Company.

**2. To review the disclosure of all relevant information for investors.**

The Company has a policy of disclosing all relevant information for investors, such as connected transactions and any other transactions that might affect the interests of related parties. The Company always discloses accurate, reliable, and relevant information on a timely basis.

**3. To review and to ensure that the Company performs in compliance with all regulations and related governing laws.**

The Company has a clear policy to comply with all regulations and related governing laws, and codes of conduct, to protect against the use of insider information. As announced in the Company's Rules and Regulations, any misuse of internal information shall be subject to disciplinary action, including dismissal. The Company supervises submission by the management of reports of their shareholdings in the Company to comply with related governing laws. The Company realizes the importance of information disclosure, including financial statements and other reports, and ensures that they are complete, accurate, reliable, and timely.

**4. To select, nominate, and propose the remuneration of the statutory auditors of the Company for 2021**

The Audit Committee has taken into consideration the independence, performance, experience, and appropriate remuneration of auditors. The Audit Committee has passed a unanimous resolution to propose to the Company's Board of Directors for consideration and to propose to the shareholders meeting to consider and approve the appointment of Mr. Ekkasit Chuthamsathit, CPA registration no. 4195 or Mr. Boonyarit Thanormcharoen, CPA registration no. 7900 or Mr. Natthapongse Thantijaththanond, CPA registration no. 8829, or Miss Thanyalux Keadkaew, CPA registration no. 8179, KPMG Phoomchai Audit Limited, to be the statutory auditors of the Company for 2021.

The Audit Committee considers that in the previous year, the Board of Directors as well as the management of the Company was in complete compliance with the principles of good corporate governance with an adherence to the importance of sustainable business management. They performed their duties and responsibilities ethically, with integrity, and in a professional manner, to achieve the objectives of the Company. In addition, a product quality system, in compliance with international standards and applicable laws, has been developed. The Audit Committee recognizes that the Company is committed to social and environmental responsibility. The Company has also prepared financial reports in compliance with generally accepted accounting principles, with an adequate disclosure of information, internal control, and audit systems, and is able to ensure product quality and good corporate governance, without any material deficiencies.

On behalf of the Audit Committee,



Mr. Manu Leopaibrote  
Chairman of the Audit Committee

## Report of the Board of Directors Responsibilities for Financial Statements

### Report of the Board of Directors Responsibilities for Financial Statements

The Board of Directors of the Company are aware of their duties and responsibilities to ensure that the financial reports of the Company and its subsidiaries are accurate, complete, and transparent, and are prepared in compliance with generally accepted accounting principles and reflect the application of an appropriate and consistent accounting policy. Such reports must be prepared prudently and on a reasonable basis and must reflect the Company's financial position and operational performance fairly and precisely for the benefit of shareholders and general investors.

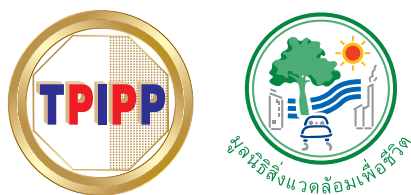
In this regard, the Board of Directors has entrusted an Independent Audit Committee to be responsible for the review of accounting policy and financial reports, internal controls, internal audit, and risk management systems. Comments on these issues have been included in the Audit Committee Report, which thereby forms a part of this Annual Report.

The Board of Directors are of the opinion that the overall internal control systems of the Company and its subsidiaries have functioned satisfactorily and credibly to ensure that the financial statements of the Company and its subsidiaries present financial positions, operational results and financial cash flow which are accurate and reliable in all material aspects.

Sincerely Yours,

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by several loops and a long, sweeping diagonal line extending upwards and to the right.

Mr. Prachai Leopairatana  
Chairman



## TPI POLENE POWER Public Company Limited

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